



24<sup>th</sup> World Gas Conference  
 ARGENTINA | 2009  
 5-9 October

The Global Energy Challenge:  
 Reviewing the Strategies  
 for Natural Gas

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**World Gas Conference 2009**  
**Strategic Panel 3**  
**“Adjusting the Balance between Security of Supply  
 and Demand”**



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**Trinidad & Tobago –  
 Strategic Gas  
 Development**

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**LNG**

**AMMONIA**

**METHANOL**

**101 Years of  
 Commercial  
 Hydrocarbon  
 Production!**

**#1 Exporter to USA**  
**7<sup>th</sup> Largest LNG Exporter  
 in the World**  
**4 TRAINS (15.1 MTPA)**

**World #1 in Export from  
 a Single Site**  
**10 Plants  
 (5.2 MTPA)**

**World #1 in Export  
 from a Single Site**  
**7 Plants  
 (6.5 MTPA)**

- The Energy Sector in 2008 provided 47% of GDP at market prices
- 57.8% of government revenue in 2008 was energy sector related



## Energy Security – Which View?

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### Consumers

Energy security contains three (3) essential goals:

- the **availability** of energy needed for stable economic and social development;
- **freedom from interruption of the energy supply**; and
- the **affordability** of energy prices.

### Producers

- **Undistorted energy prices** to enable markets to work efficiently
- Free and open trade, efficient energy markets and a secure framework for investment contribute
- Dialogue and cooperation that leads to **price stability at a level that assures producers sufficient revenues to meet their goals and obligations**

**Cooperation among all energy market participants helps to improve understanding and promote confidence necessary to achieve global energy security.**



## Security of Gas Demand

Natural gas consumption to increase from 104 TCF in 2006 to 153 TCF in 2030.

Globally, natural gas remains a key energy source for industry and for electricity generation.

Large market opportunity for electricity in developing countries and conversions in developed countries

Electricity generation to account for 35 percent of the world's total natural gas consumption in 2030, up from 32 percent in 2006.

**1.6 billion people – a quarter of humanity – live without electricity!**

#### Number of people living without electricity

Region	Millions without electricity
South Asia	706
Sub-Saharan Africa	547
East Asia	224
Other	101

**Market Demand is there – At What Price??!!**



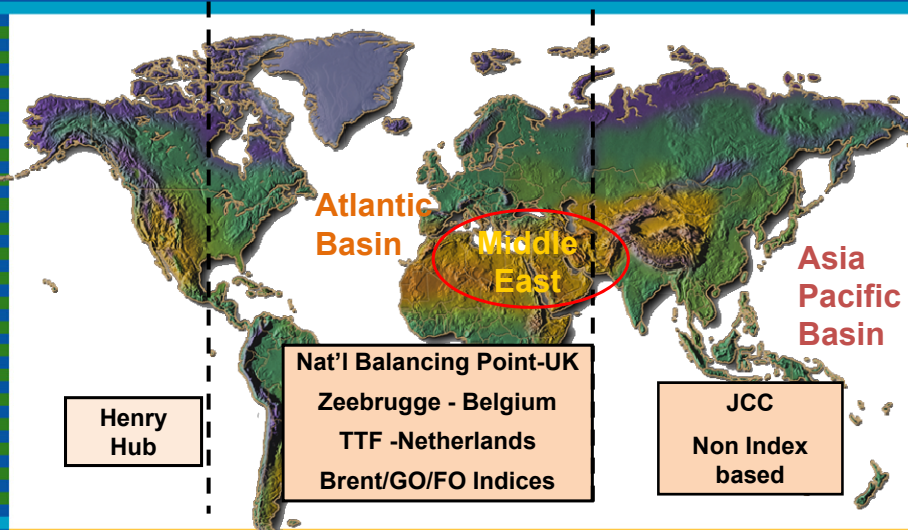
## Security of Gas Supply

- As at June 2009, worldwide, producers brought on-stream 186 new large fields with 1,217.9 TCF of recoverable gas. The leading regions for these developments were the Middle East with 586 TCF, the CIS with 32 fields and 300.7 TCF and the Far East with 158.2 TCF
- From 1995-2008 an average of 95 TCF of gas was added annually to reserves, whilst consumption averaged 89 TCF leading to an overall increase in remaining reserves. Total world reserves have increased every year since 1980!
- According to the International Energy Agency (IEA), more than \$20 trillion in new energy investment will be required through 2030 to meet the world's growing energy needs or over \$1 trillion/year.
- The recent massive finds in places such as Brazil and Iran point to a robust supply situation. The key factors are costs and market prices to support exploration!

Consumers need producers and producers need consumers, and it is that shared economic interdependence, bearing in mind exploration costs, that will provide the energy security that all of the world's citizens want and need.



## Towards A Global Gas Market?



Real Energy Security will be enhanced by a Global Gas Reference Price?



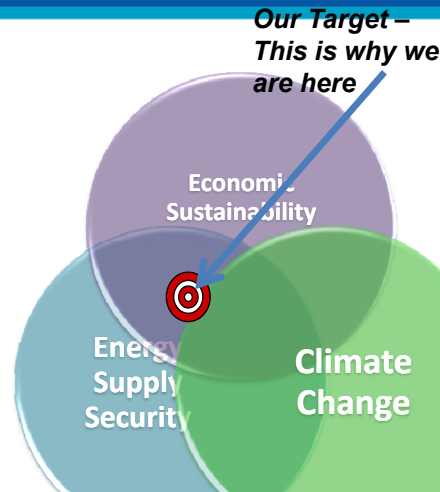
## How We Do It!

**Global gas demand projected to increase in the medium to long term**

**Gas supply abundant but massive investments required to bring to market**

**Market more complex and investment costs are currently high – A challenge**

**Thus, cooperation and strategic partnerships are critical !!**



**Long-term security of supply achieved by deepening existing and establishing new partnerships in the gas value chain!!**



# THANK YOU

