

Natural Gas Leads the Way to a Sustainable Energy Future:

View from Gazprom

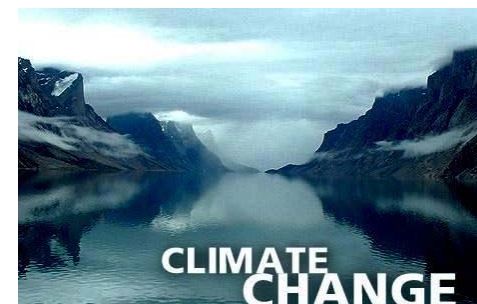
by Alexander Medvedev

Gazprom Deputy Chairman
Director General of Gazprom Export

Natural gas deserves to be centerpiece of GHG reduction strategies

Limited progress in combating climate change:

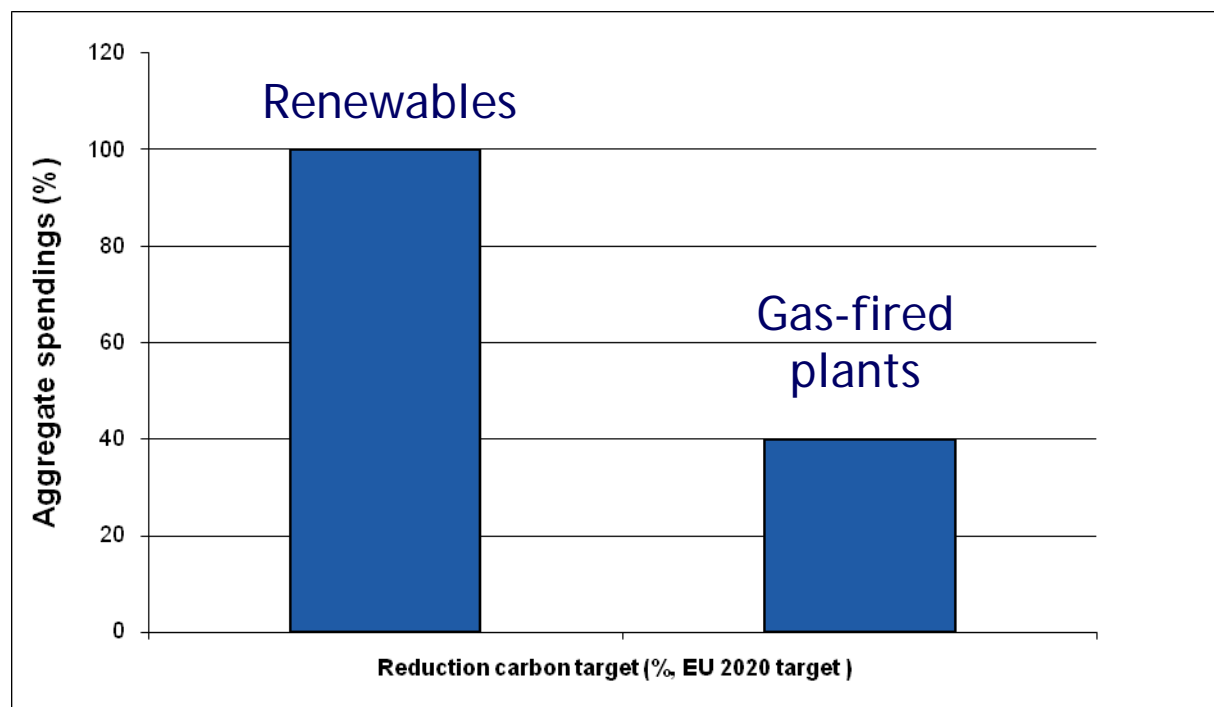
* Progress in achieving the 20/20/20 EU targets slowed down despite EU Emissions Trading System and generous subsidies for renewables



The EU goal of cutting CO₂ emissions is being mistakenly replaced by the decarbonization drive

Natural gas & renewables: cost comparison:

- * The renewables will only allow the EU countries to achieve 62% of the 2020 target reductions;
- * To achieve 62% reduction by 2020 all-in natural gas costs will be only 40% of the renewables cost.



Comparison Of Costs Of Meeting EU CO₂ Reduction Targets:

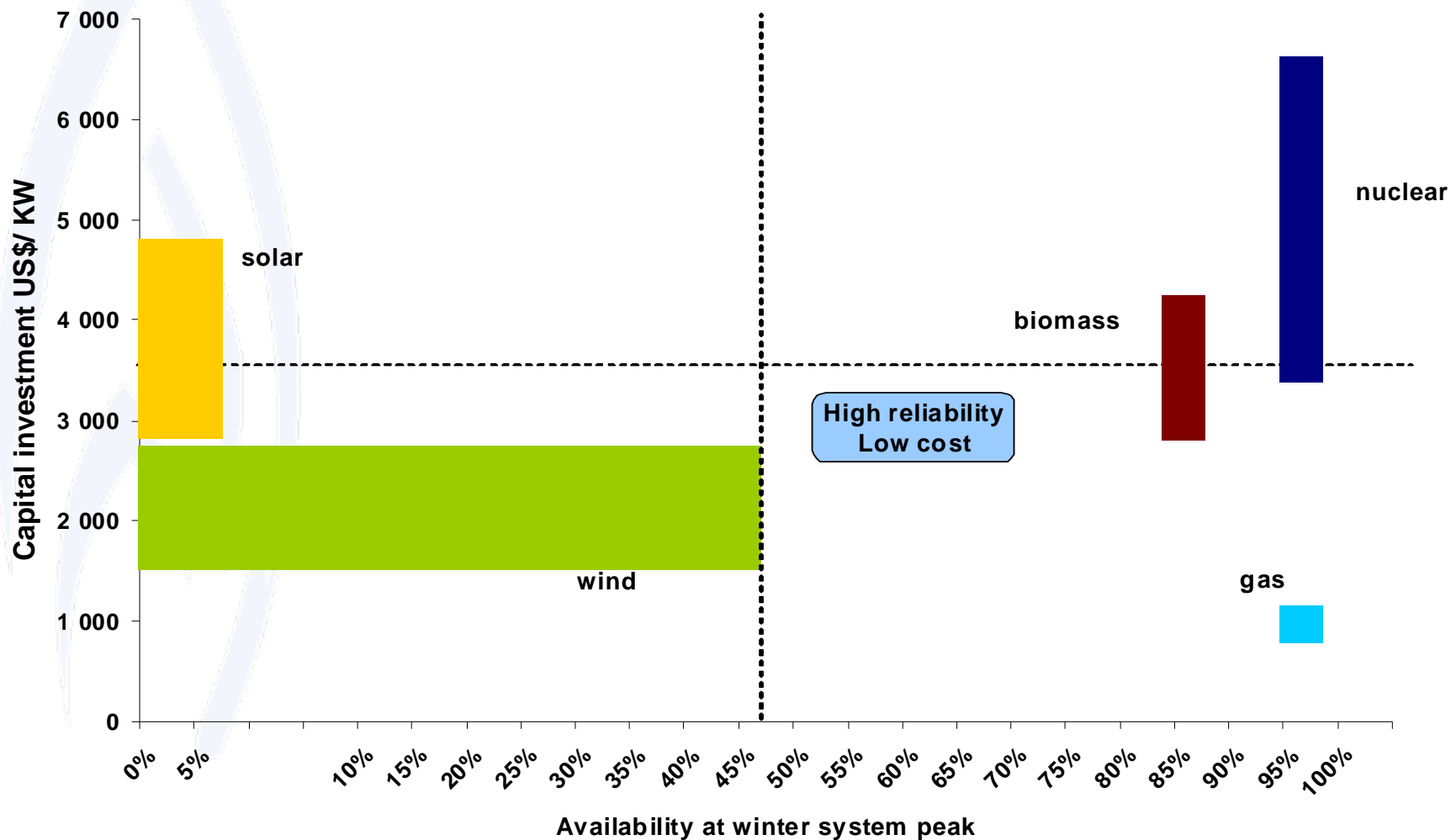
* gas powered generation is cheaper than on-shore wind generation by \$11.3 billion p.a. (in order to reach the set target)

* If Europe replaces every second coal power plant with gas turbine plant, CO₂ emissions would be reduced by up to 60%



* Renewables and nuclear energy are only part of the solution. Best option - find the right place for every source in energy mix

Ranges in Capital Investment Costs and Reliability In Meeting Peak Load by Technology



Natural gas = Low emissions + Low energy production costs

LNG is motor fuel of choice

LNG truck may reduce nitrogen oxide (NOx) and greenhouse gas emissions by up to 33 percent and 20 percent respectively



LNG motor fuel could be game changer:

- * additional revenues for pump stations
- * extending product line:
compressed gas, biogas, etc.

A large, light blue, stylized flame graphic on the left side of the slide, composed of several curved, overlapping shapes.

**THANK YOU FOR YOUR
ATTENTION**