European Gas Demand and Sources of Gas Supply

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Global Gas Demand

Hereinafter: adjusted to Russian gas (T=20 °C, calorific value = 37.053 MJ/cm), unless stated otherwise.

Sources: IEA, IHS, Wood Mackenzie
European Gas Demand

Sources: IEA, IHS, Wood Mackenzie, BP

Hereinafter: adjusted to Russian gas (T=20 °C, calorific value = 37.053 MJ/cm), unless stated otherwise.
Indigenous Production in Europe

Indigenous production excludes Norway

Sources: IHS, Wood Mackenzie
Total Gas Imports to Europe

Sources: IHS, Wood Mackenzie
LNG Imports to Europe

Sources: IHS, Wood Mackenzie
Russian Gas Supply to Europe

Sources: IHS, Wood Mackenzie
Growing Asian premium is supporting higher attractiveness of Asian market for flexible LNG deliveries versus European market.

LNG deliveries from Sabine Pass

From Jan to Nov 2017 Sabine Pass has shipped 11,8 mt of LNG.

Share of deliveries by region

- Central and South America: 35%
- Middle East and Africa: 13%
- Asia and Oceania: 36%
- Europe: 16%

including Europe – 1,8 mt or ≈0,5% of European gas demand.

Source: IHS Markit.
Record High Deliveries of Russian Gas to Europe

- In 2016 the level of Russian gas deliveries to Europe reached record levels of **179.3 bcm**.
- We expect to have even higher numbers in 2017.
Source: CEDIGAZ, under assumption that 85% of contacted volumes is Take-or-Pay (MCQ) and the rest is flexible (ACQ).
• Gas demand grows worldwide. In Europe various scenarios show either stable levels or moderate growth.

• Indigenous production decrease. The net imports grow. The niche will be taken by both pipeline gas and LNG.

• The efficient infrastructure has to be in place.

• Questions to the supply scenarios:
  • Counterintuitive: demand is not balanced with supply.
  • The difference between max and min scenarios is too high for imports.
  • Need to clarify a purpose of supply scenarios.
Thank you for your attention!