



# UNECE “Energy Week” New Gas Developments and Investments

November 24<sup>th</sup>, 2010

**Federico Riggio**

Public Affairs and Communication  
Department

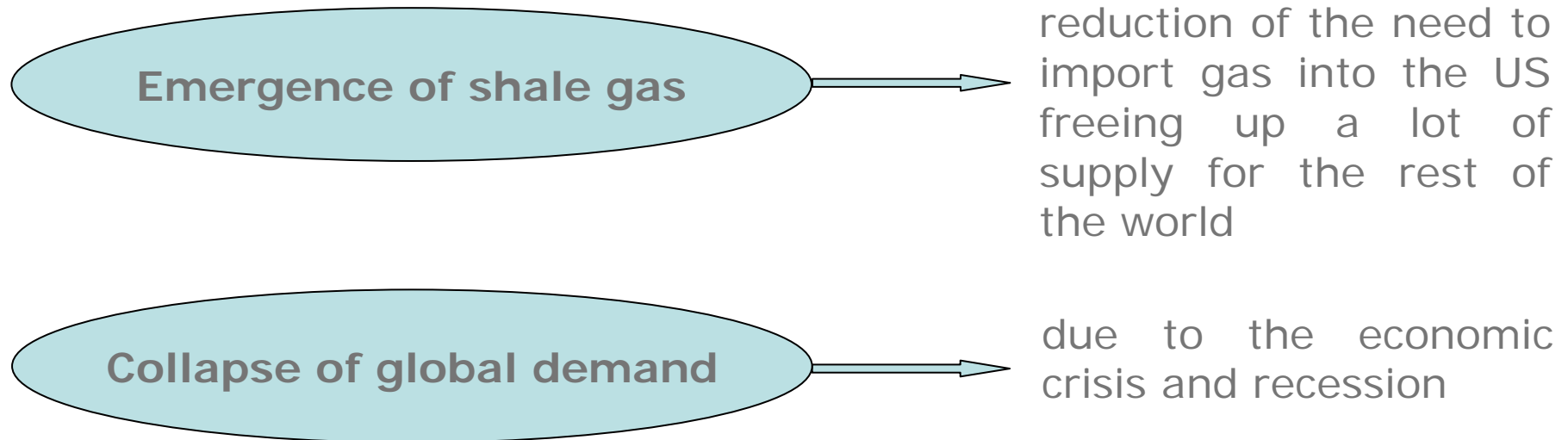
Head of International Affairs

[www.eni.com](http://www.eni.com)

## The role of natural gas in our energy future

---

The gas market has recently undergone some kind of revolution:



**Natural gas is going to play an increasing role in our energy future**



eni

## Security of gas supply at the top of the agenda in the near future

---

- Three main reasons:

- 1) **Low prices**

- 2) **Gas demand growth**

- 3) **Fall of investments in production and infrastructure**



## Low prices (1)

---



**Low prices coupled with economic recovery will stimulate a bounce-back in gas demand**

## Gas demand growth (2)

---



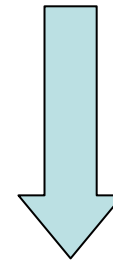
**Gas demand growth is a trend**

## Fall of investments in production and infrastructure (3)

---



**Gas projects are postponed all over the world**



**There is need to prepare for a tighter market and higher prices**



eni

## Europe: a rising gas demand by 2020

---



- Europe will need to import **an extra 180 bcm a year** (100 bcm increase in consumption and 80 bcm decline in domestic production) by 2020
- Europe has to prepare for the next wave of rising gas demand through new interconnections among European States, storages and **diversification**



eni

## Europe: a diversification strategy

---

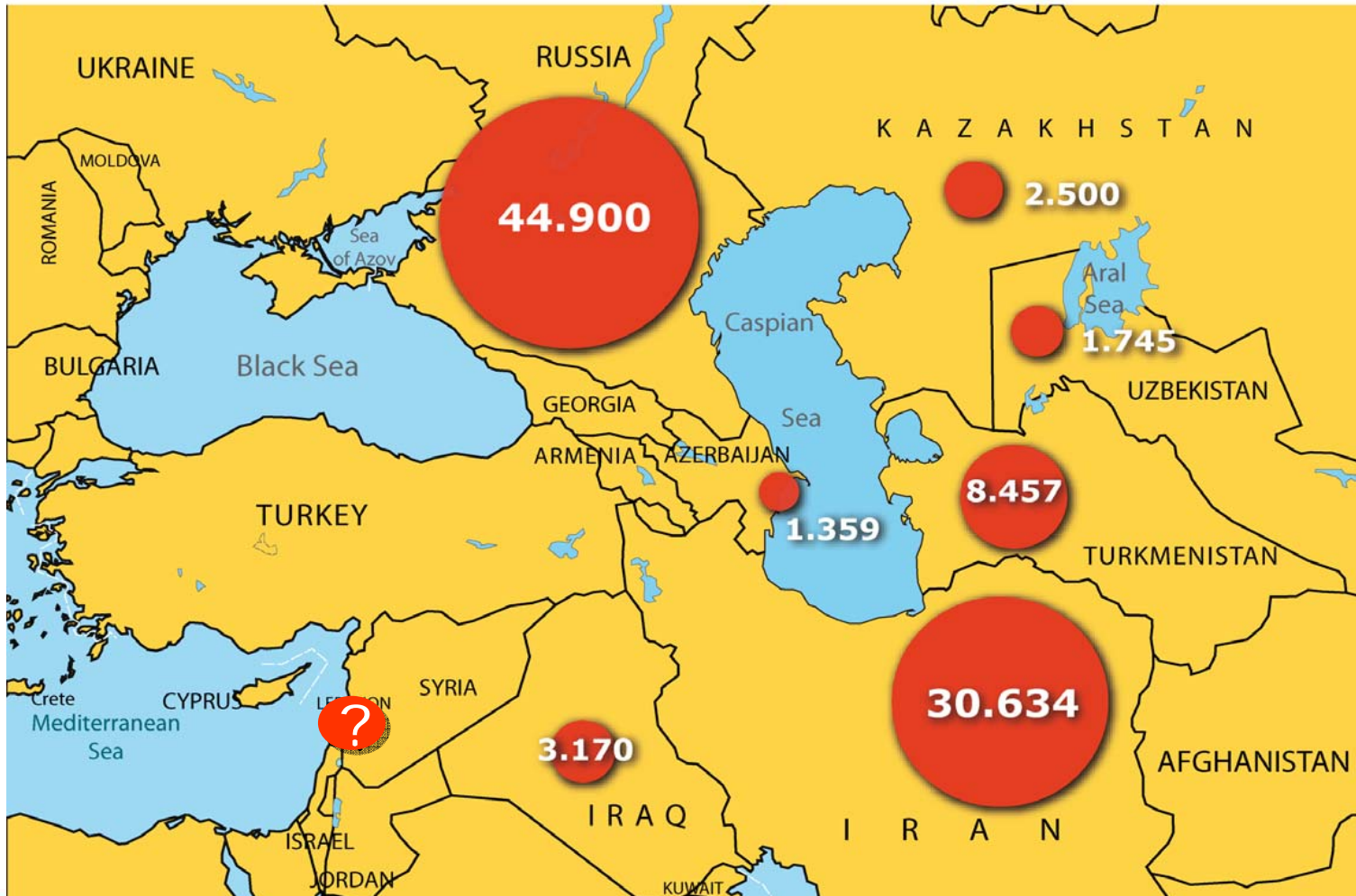
- Three key targets for diversification:
  - 1) **diversification of supply sources**
  - 2) **diversification of transit routes**
  - 3) **LNG**



eni

# Diversification of supply sources (1)

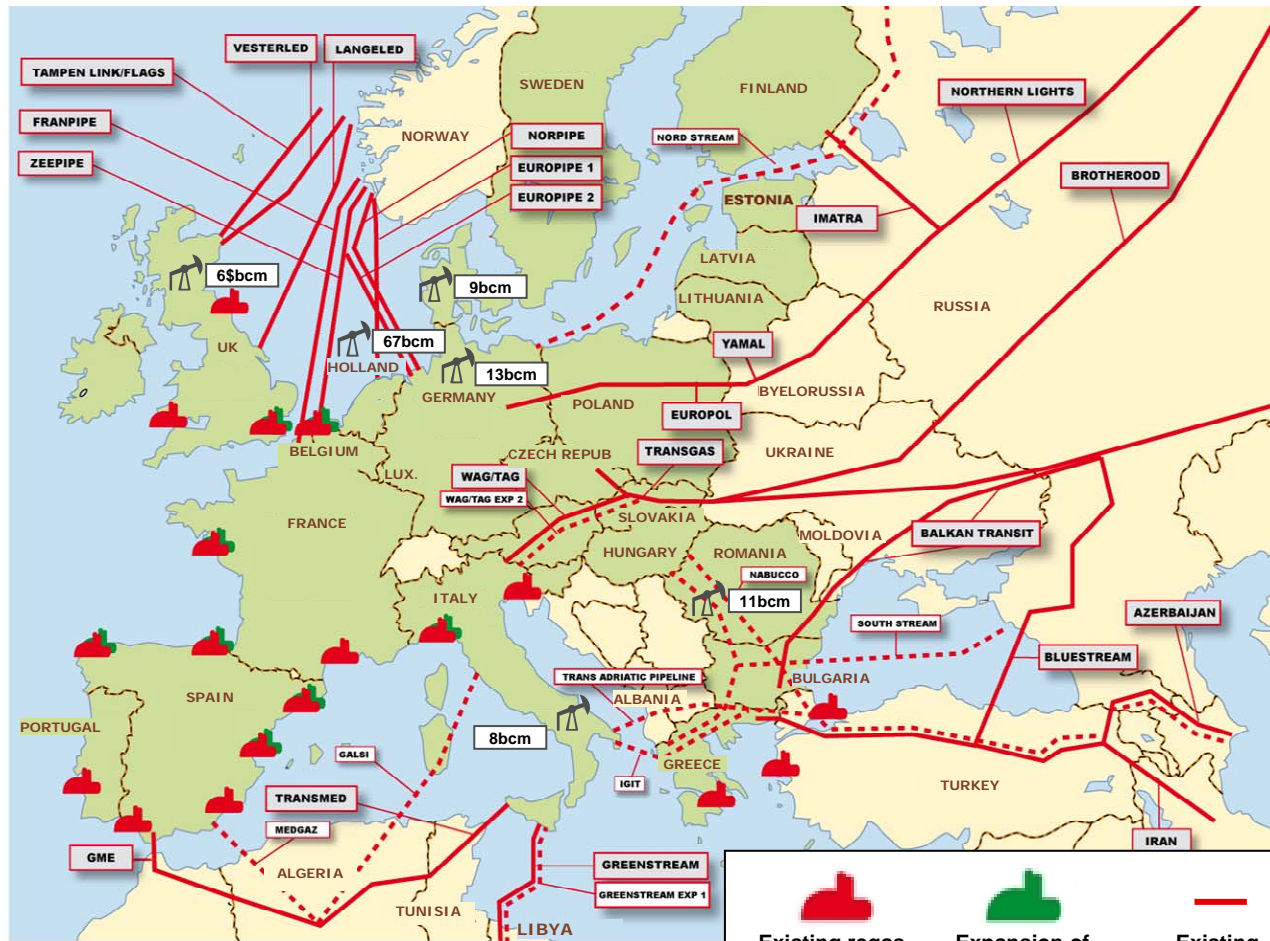
The Caspian region natural gas reserves (bcm)








eni

# Diversification of transit routes (2)

## Current Europe's gas infrastructure



| Pipeline     | Max. capacity (bcm) |
|--------------|---------------------|
| Transgas     | 57                  |
| WAG/TAG      | 45                  |
| EuRoPol      | 33                  |
| Langeled     | 26                  |
| Franpipe     | 19                  |
| Norpipe      | 28                  |
| Transmed     | 33                  |
| Maghreb      | 12                  |
| Greenstream  | 8                   |
| Medgaz       | 8                   |
| Nord Stream  | 55                  |
| South Stream | 31-63               |
| Nabucco      | 31                  |

|   |   |   |   |   |
|---|---|---|---|---|
|  |  |  |  |  |
| Existing regas terminal   | Expansion of existing terminal  | Existing pipelines  | New pipelines   | Production  |

# South Stream project



eni

# Nabucco project



## Liquefied Natural Gas (3)

---



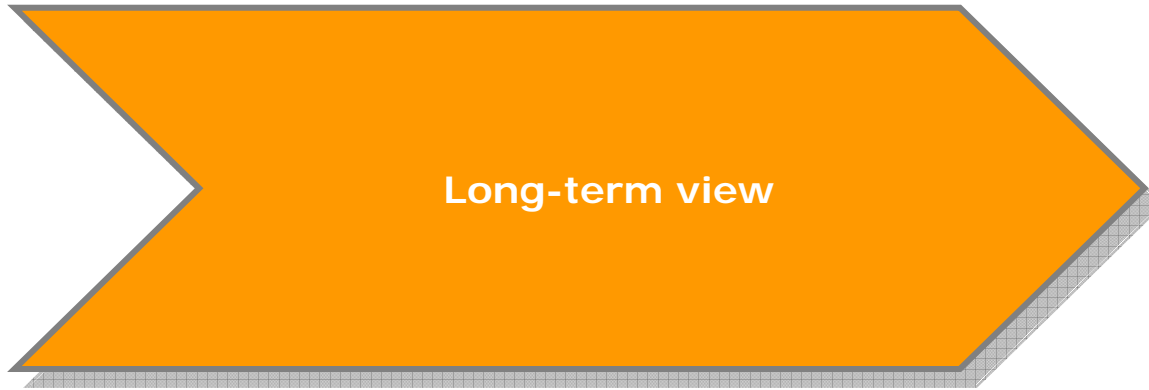
- LNG is the third pillar of Europe's diversification strategy, and the major import channel for Asia



eni

What do all of these measures have in common?

---



eni

---

Thank you