

2006 YEAR IN REVIEW

— YEAR AT A GLANCE —

TOTAL IMPORTS

<u>COUNTRY OF ORIGIN</u>	<u>BCF</u>	<u>WEIGHTED AVG. PRICE</u> <u>(\$/MMBtu)</u>
Canada	3668.4	\$6.70
Mexico	12.7	\$5.65
Algeria	17.4	\$7.78 *
Egypt	119.5	\$6.54 *
Nigeria	57.3	\$6.11 *
Trinidad and Tobago	389.3	\$6.96 *
TOTAL	4264.7	

TOTAL EXPORTS

<u>COUNTRY OF DESTINATION</u>	<u>BCF</u>	<u>WEIGHTED AVG. PRICE</u> <u>(\$/MMBtu)</u>
Japan	60.8	\$5.94 **
Canada	341.8	\$7.18
Mexico	322.1	\$6.46
TOTAL	724.7	

* Landed price.
** Delivered price.

Natural Gas and LNG Summary Report - 2006

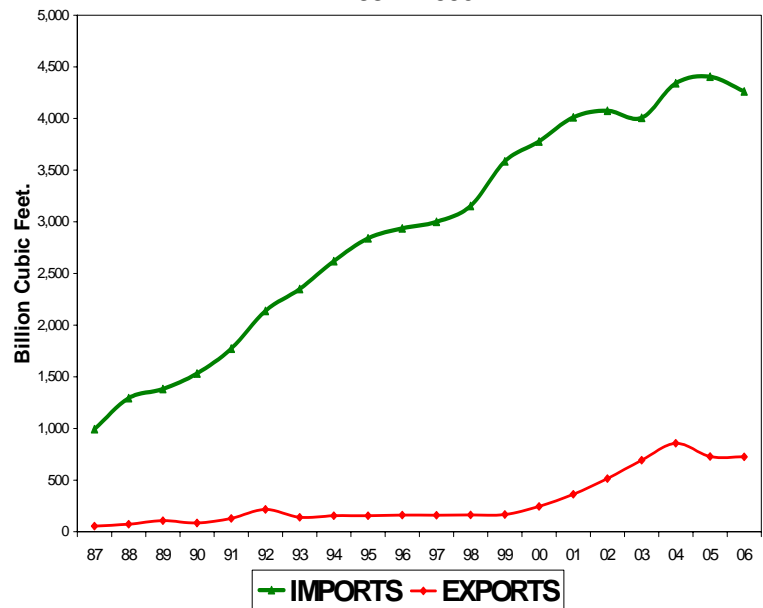
Overview

In 2006, net natural gas imports were 3,540.0 Bcf, accounting for 16.2 percent of total U.S. consumption of natural gas. Gross natural gas imports totaled 4,264.7 Bcf. Canada continued to be the leading supplier, providing 86 percent of all imports to the U.S. Liquefied natural gas (LNG) imports from Algeria, Egypt, Nigeria, and Trinidad and Tobago represented almost 14 percent of the import market (583.5 Bcf) and accounted for 2.7 percent of total U.S. natural gas consumption. Total gas exports in 2006 were 724.7 Bcf, down slightly from last year's record high of 729.2 Bcf. Exports to Canada were 341.8 Bcf, exports to Mexico were 322.1 Bcf and LNG exports to Japan were 60.8 Bcf.

Natural Gas

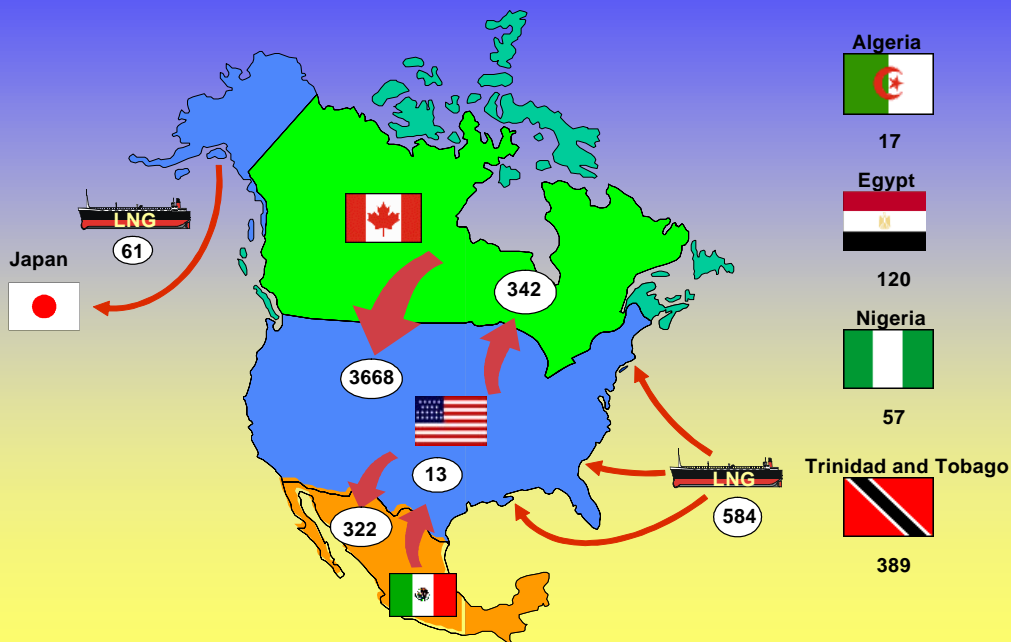
Imports from Canada totaled 3,668.4 Bcf, a 2.5 percent decrease from the 2005 level of 3,762.9 Bcf. The average international border price for Canadian gas supplies in 2006 was \$6.70 per MMBtu. This year's price fell 15.7 percent from last year's price of \$7.95, the highest on record. Exports to Canada totaled 341.8 Bcf at \$7.18 per MMBtu.

**Total U.S. Natural Gas Imports & Exports
1987 - 2006**



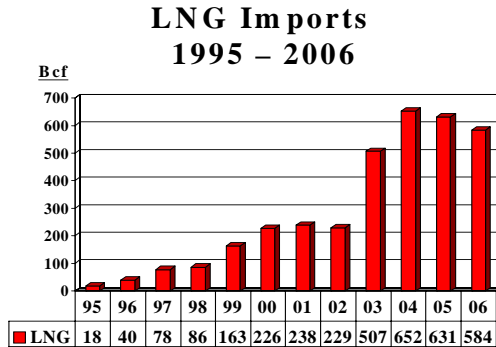
Exports to Mexico in 2006 were 322.1 Bcf compared to 305.2 Bcf in 2005. The average international border price for these supplies was \$6.46 per MMBtu. Natural gas from the U.S. was exported at 12 interconnects along the U.S. - Mexico border. This year the U.S. imported 12.7 Bcf of natural gas from Mexico, compared to 9.3 Bcf in 2005.

Natural Gas Imports & Exports, 2006 (Billion Cubic Feet)



Liquefied Natural Gas (LNG)

In 2006, the U.S. imported 583.5 Bcf of LNG compared to 631.3 in 2005. Imports of LNG accounted for about 2.7 percent of total U.S. consumption. The chart below shows the significant rise in LNG imports over the past 4 years.



In 2006, LNG entered the U.S. from 4 countries. Since 1999, gas imported from Trinidad & Tobago has represented the largest share of LNG imports. This year, gas from Trinidad represented about two-thirds of all LNG imports. LNG shipments from Egypt, which began in March 2005, represented about 20 percent of these imports.

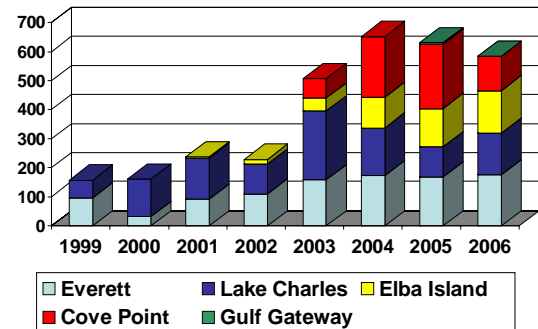
Country of Origin	Bcf	Country of Origin	Bcf
Trinidad & Tobago	389.3	Egypt	119.5
Algeria	17.4	Nigeria	57.3

In 2006, 211 cargoes of LNG entered the U.S. compared to 229 cargoes in 2005. Below is a list of companies that imported LNG into the U.S. this year.

Importer	# of Cargoes	2006 Volume (Bcf)
BG LNG	105	290.4
Distrigas	65	176.1
BP Energy	15	44.7
Shell	5	14.6
Statoil	20	57.4
Excelerate Energy	1	0.5

LNG deliveries to the U.S. occurred at four onshore terminals and one offshore facility (Gulf Gateway Energy Bridge deepwater port). In 2006, 60.8 Bcf of LNG was exported to Japan from facilities in Kenai, Alaska.

**LNG IMPORTS
1999 – 2006
(Bcf)**



2006 Imports of Liquefied Natural Gas (LNG)

