

Graphical Summaries, Comparisons, and Trend Analysis

2010 Year in Review

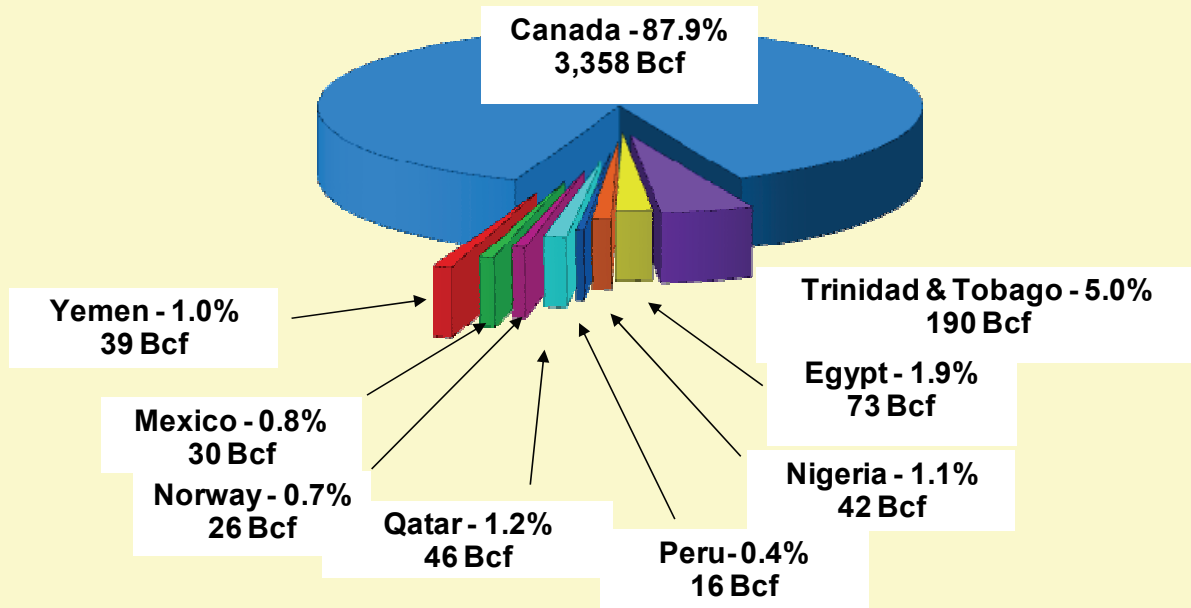
2010 vs. 2009

Long-Term Trend Analysis

2010 Year in Review

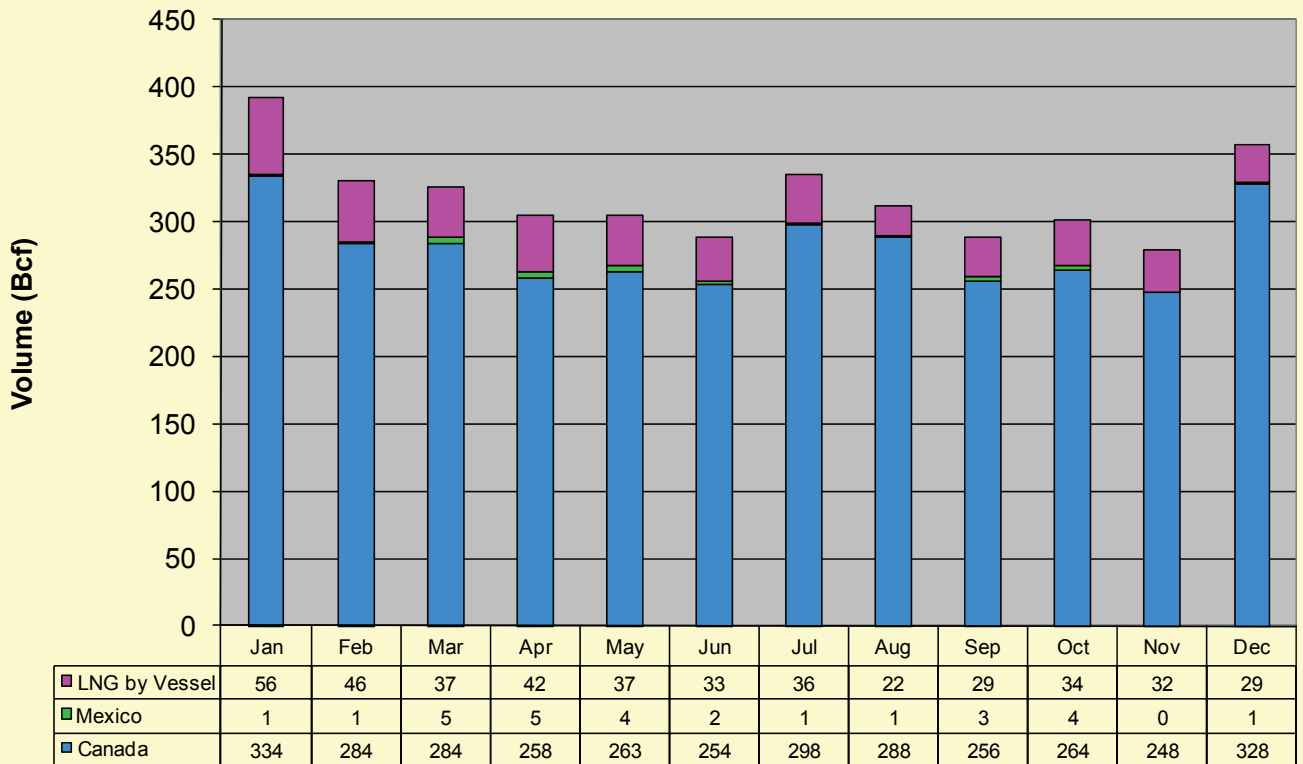
Natural Gas Imports, 2010

Total Imports - 3,819 Bcf



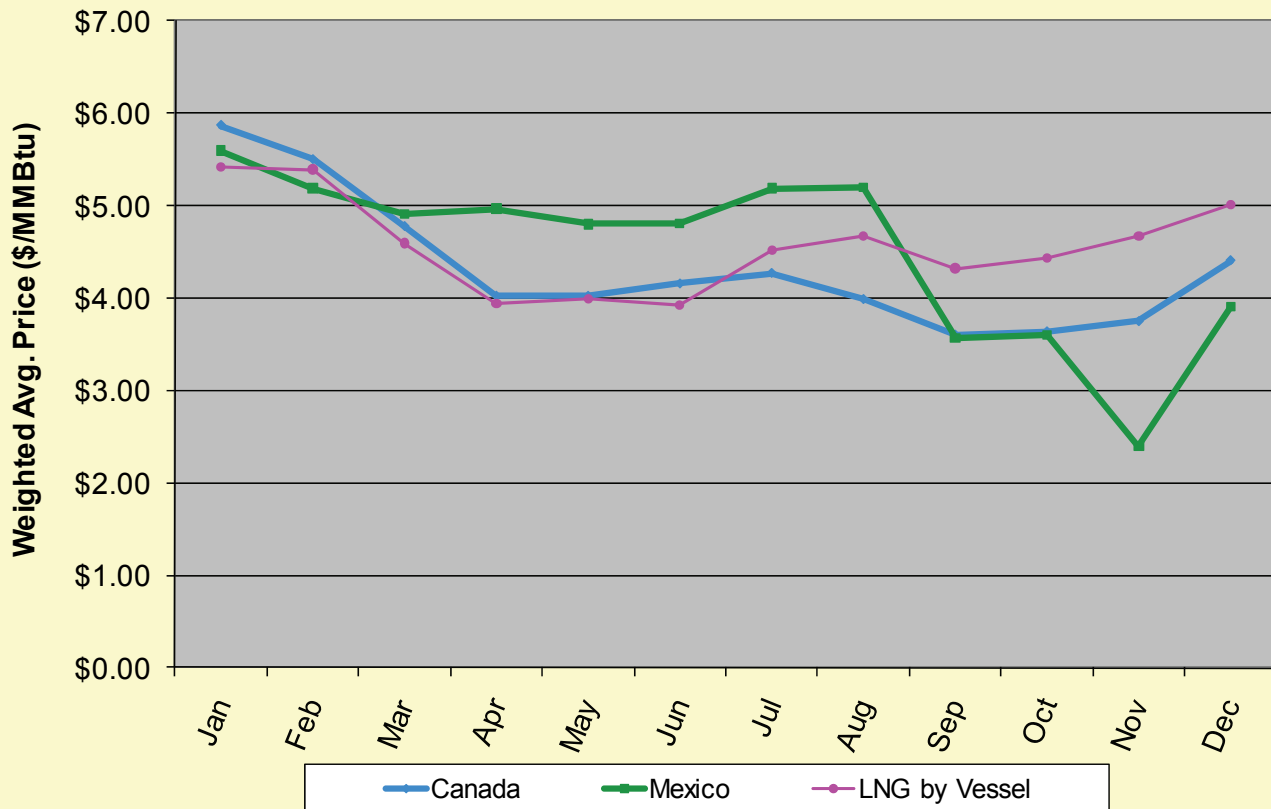
- In 2010, the U.S. imported more than 3.8 trillion cubic feet of natural gas.
- The vast majority of imports originated in Canada, continuing a long-term trend.
- Trinidad & Tobago was the next-largest supplier, providing about five percent of imports, in the form of LNG.
- The remaining imports were supplied by seven countries, each contributing less than two percent to the total: Yemen, Mexico, Norway, Qatar, Peru, Nigeria, and Egypt.

Imports by Origin, 2010



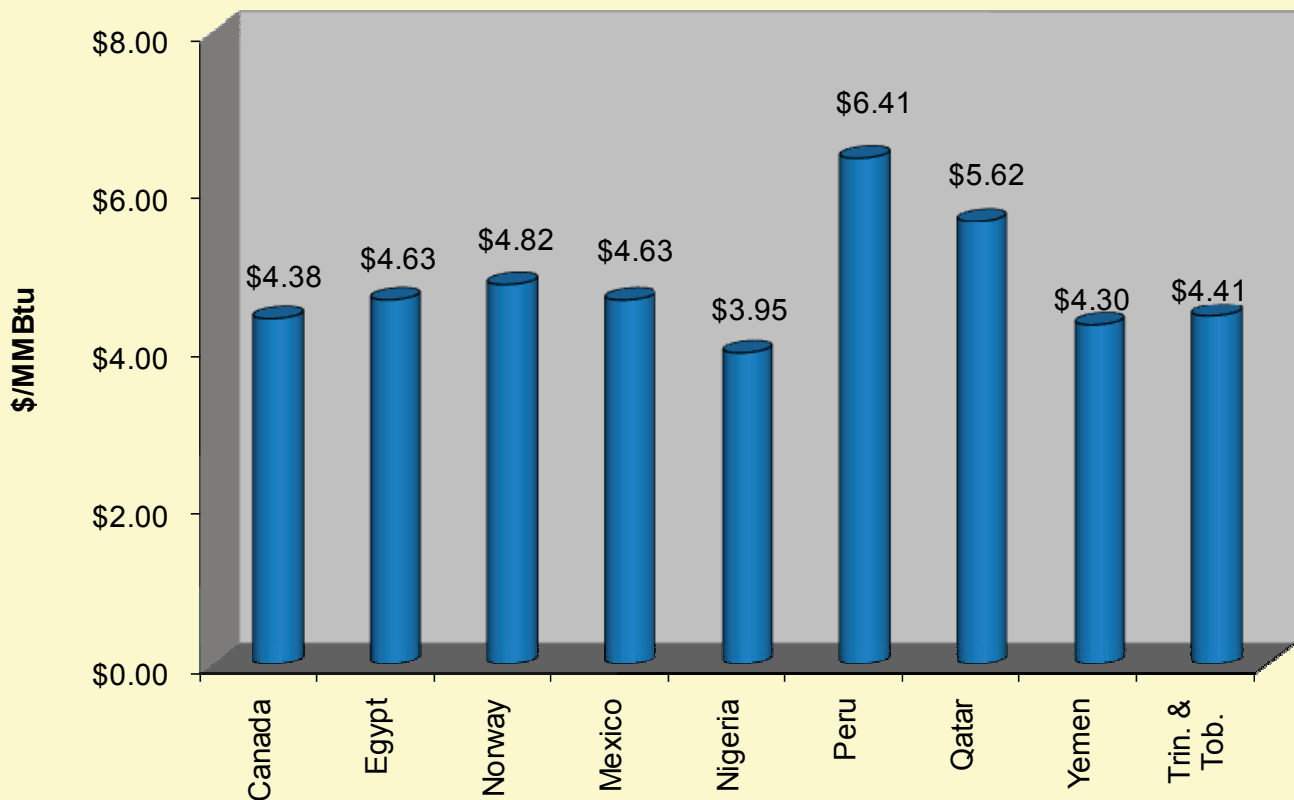
- Canada supplied the vast majority of imports not only for the year as a whole, but consistently throughout 2010.
- LNG, from all world suppliers, was the second-largest source of imports in every month of 2010, followed by Mexico.

Sales Prices of Imports, 2010



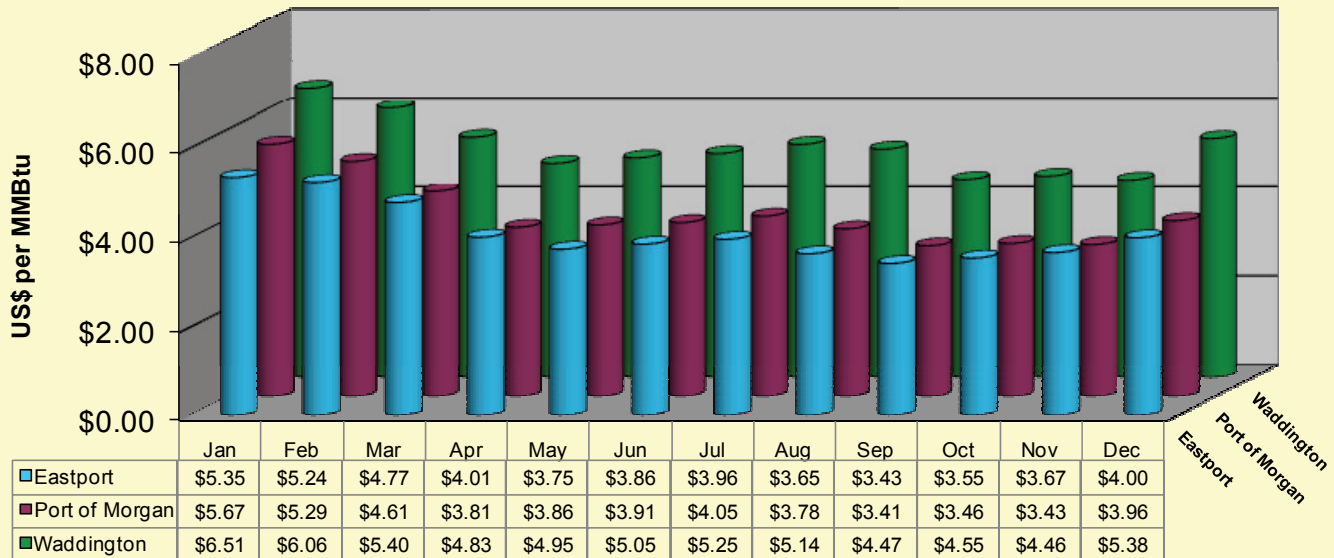
- Average prices from Canada, Mexico, and LNG suppliers were close to one another during the first quarter of 2010. The relationship held between LNG and Canadian prices during the second quarter, when Mexican prices increased. The three monthly price averages were not as close during the latter half of the year, closing 2010 with a range of more than a dollar per MMBtu in December.

Weighted Avg. Import Prices, 2010



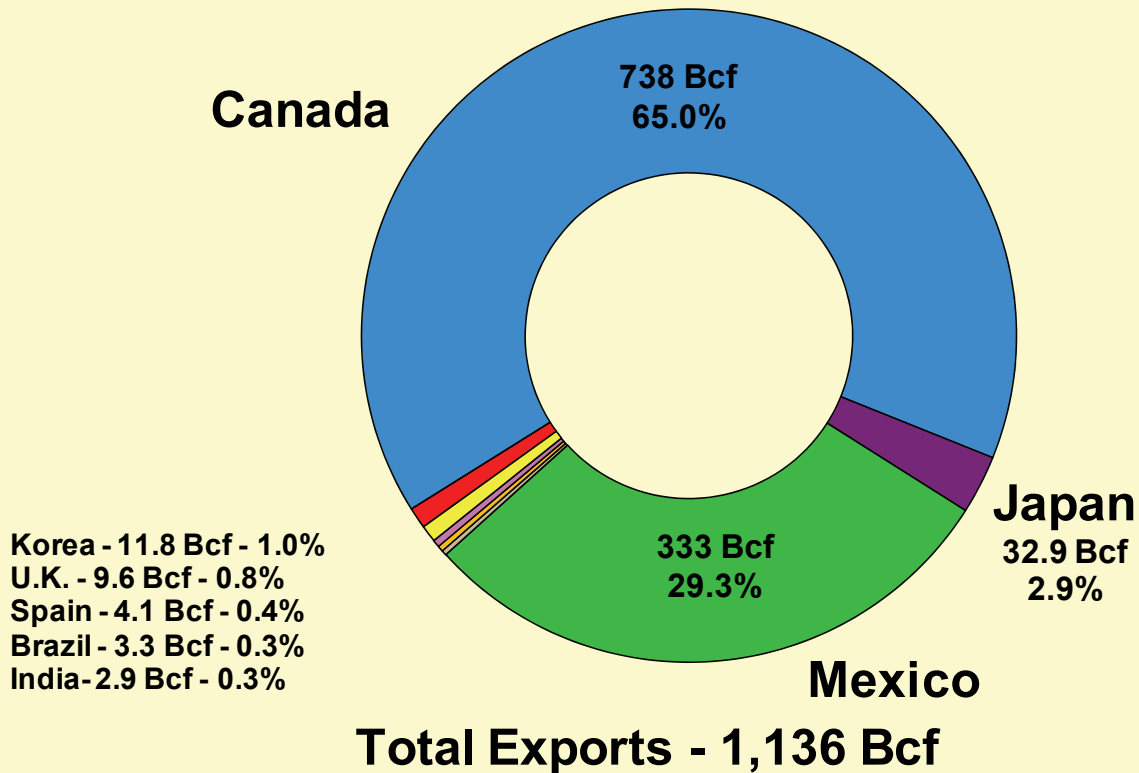
- Canadian and Mexican pipeline imports and LNG imports from seven other countries averaged in the range of \$3.95 to \$6.41 per MMBtu in 2010.
- Imports from Peru, a new LNG supplier, were significantly higher-priced than country averages of all other import prices.

Prices of Canadian Imports for Selected Points, 2010



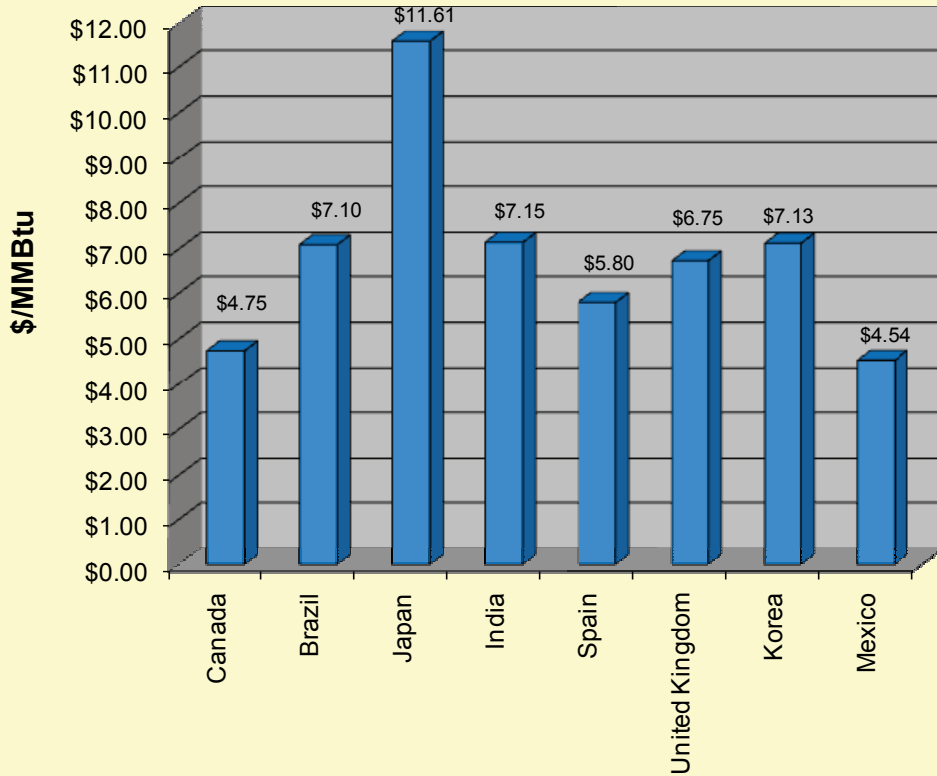
- Prices of imports from Canada for these three major entry points fell, along with general natural gas price levels, from winter through spring to the summer months, and increased during the fourth quarter, although not reaching January's highs.
- Among these three points, Waddington, NY had consistently higher import prices throughout the year.

Natural Gas Exports, 2010



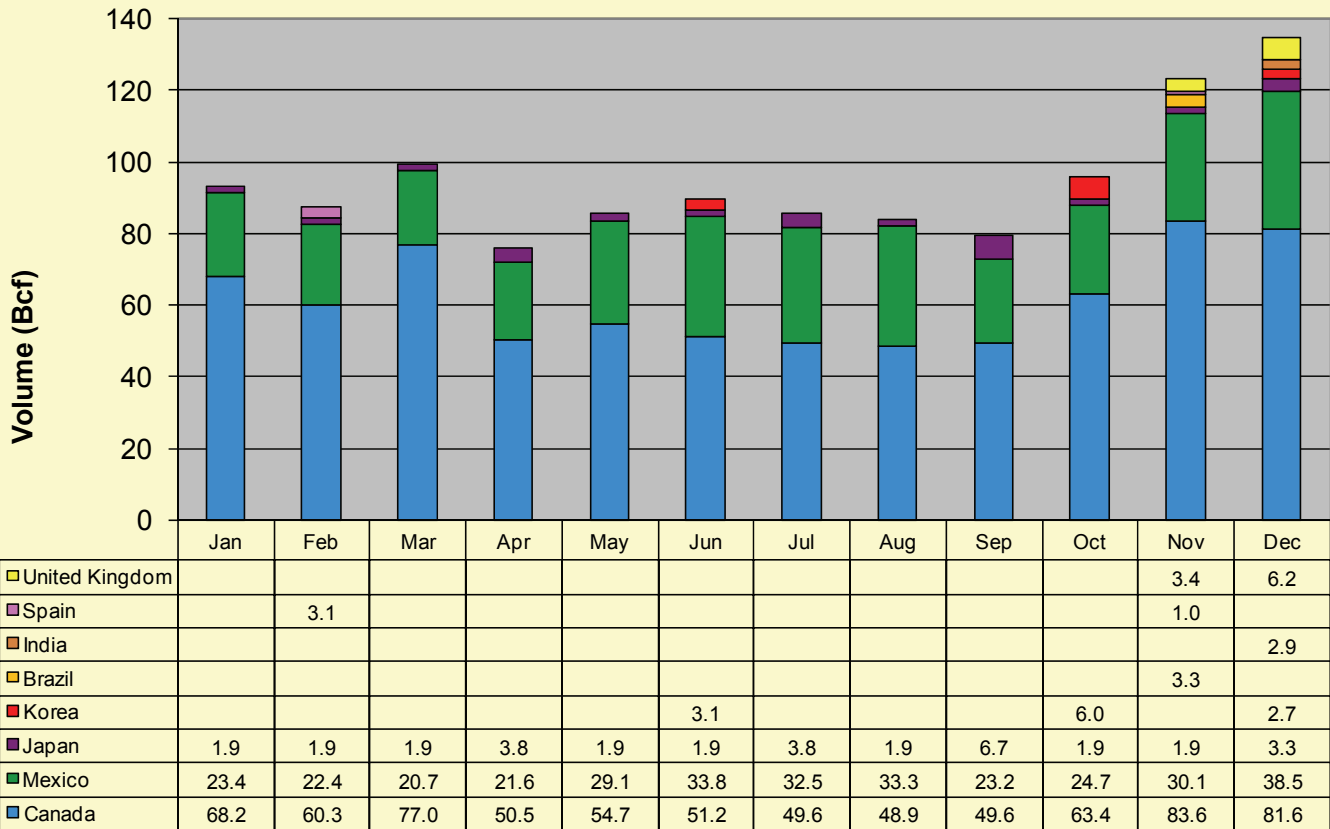
- The single largest destination for U.S. gas exports in 2010 was Canada, although export volumes were far smaller than volumes of imports from Canada to the U.S.
- The U.S. also exported a significant amount of natural gas to its other North American neighbor, Mexico.
- Japan continued to be a destination for LNG exports from Alaska, the only vessel-borne LNG customer for domestically-sourced gas in 2010.
- The re-export of previously imported LNG, initiated in 2009, continued in 2010. Several more such cargoes were exported to South Korea (the 2009 customer), and re-exports were also made to the UK, Japan, Spain, Brazil, and India.

Weighted Average Export Prices, 2010



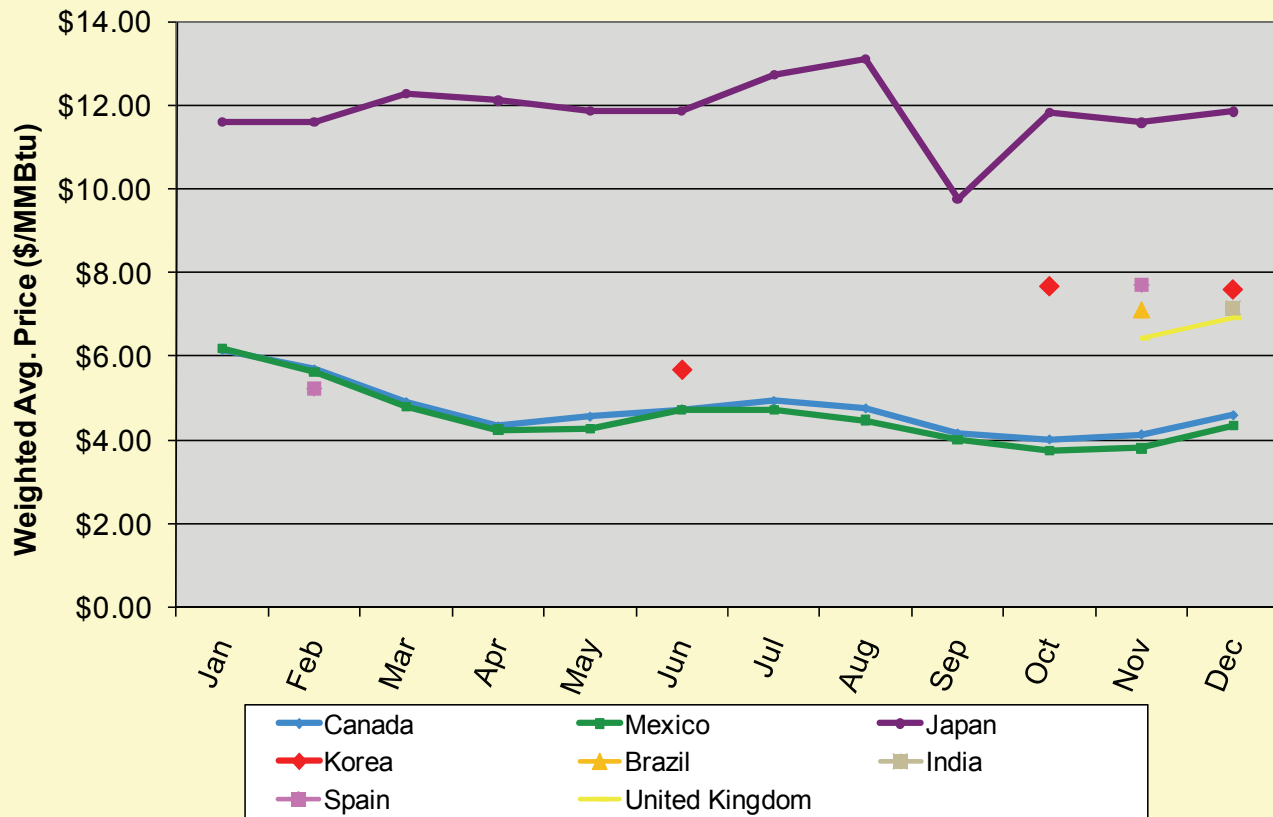
- Country-annual average prices for exports to six of seven destination countries fell in the range of \$4.54 to \$7.15 for the year. The average price for LNG delivered to Japan was notably higher in 2010, at \$11.61.

Exports by Country of Destination, 2010



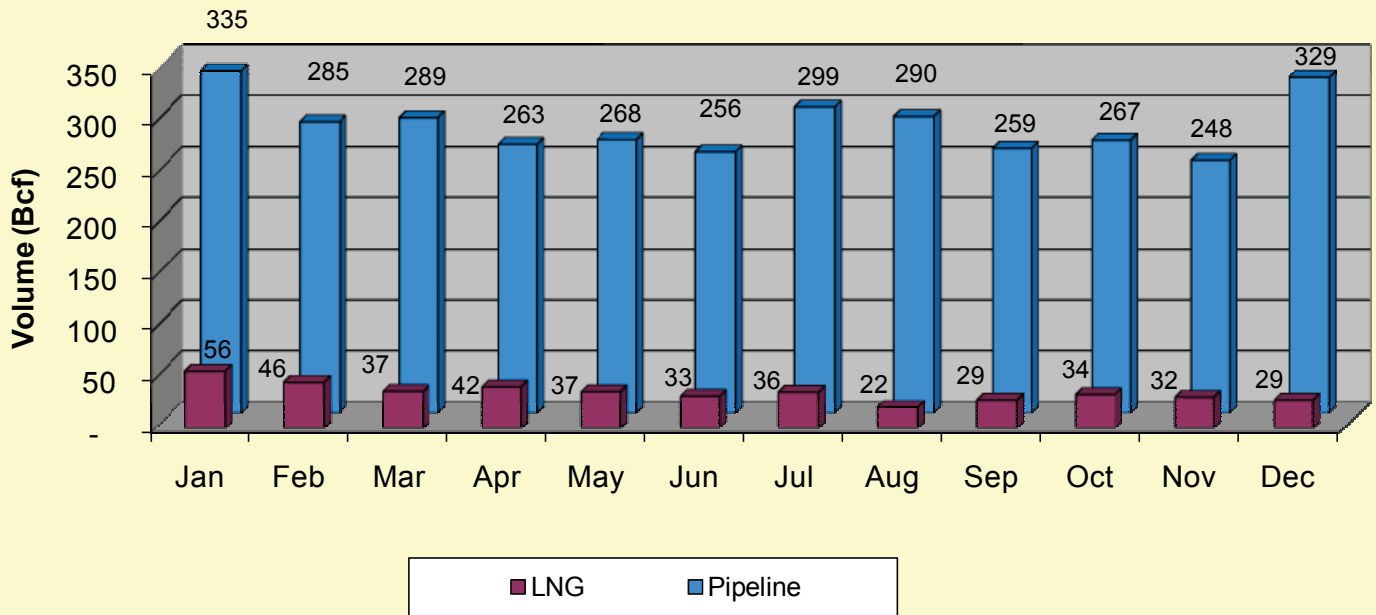
- Exports showed a seasonal pattern, with lower volumes in the spring, summer, and early fall, and a higher level of exports during the last quarter of the year.

Sales Prices of Exports, 2010



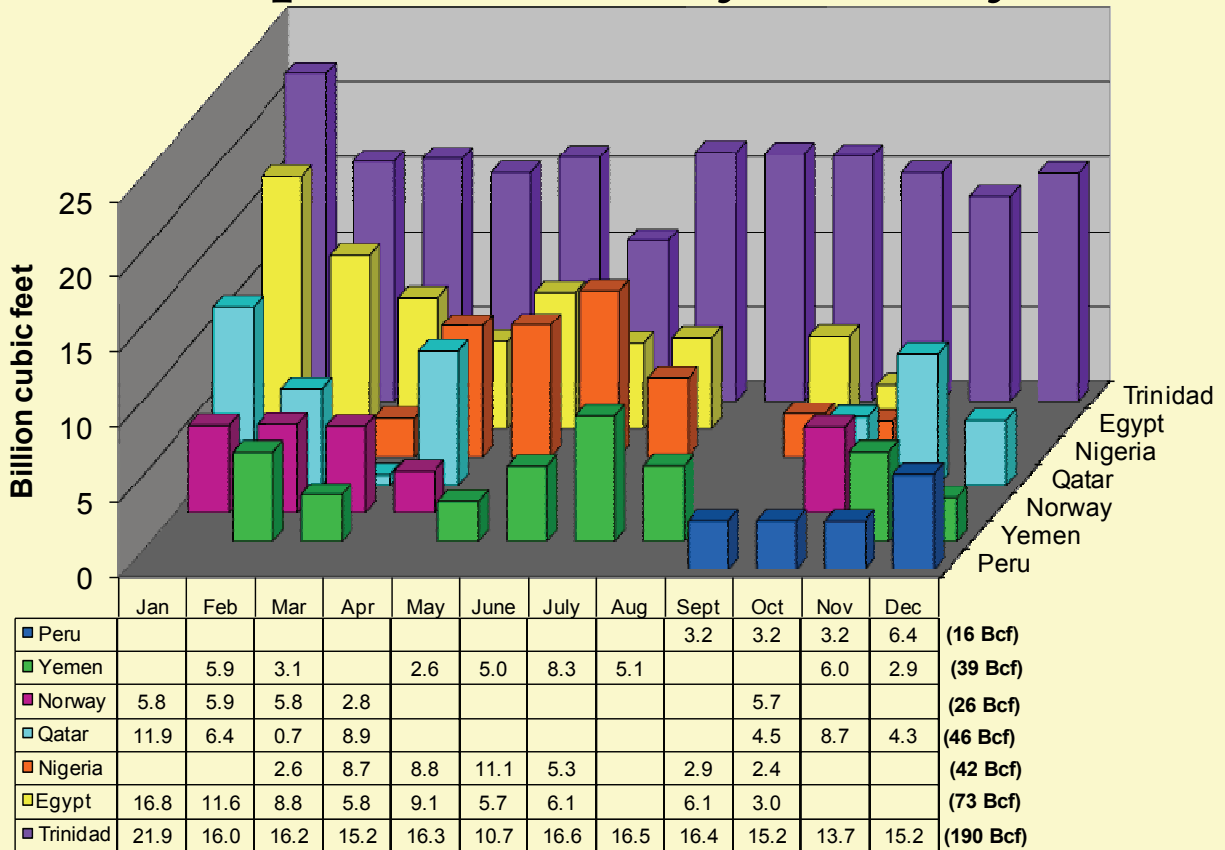
- Prices for pipeline exports to Canada and Mexico tracked very closely throughout the year.
- Prices of LNG exports to Japan were higher than pipeline export prices throughout 2010. The discrepancy was large – frequently between five and seven dollars per MMBtu or more.

Imports, Pipeline vs LNG, 2010



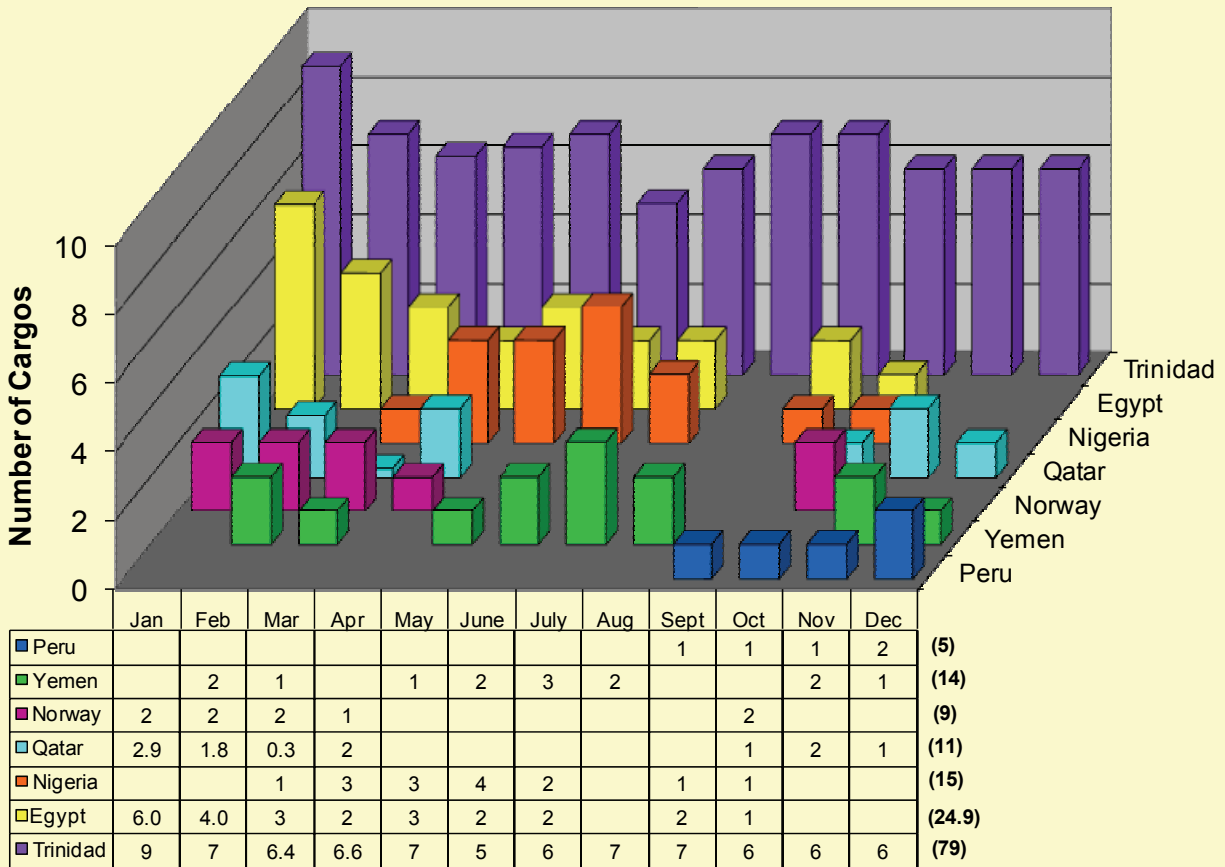
- Pipelines continued to be the major avenue for imports, with pipeline volumes far exceeding volumes of LNG.
- Pipeline imports experienced two peaks during 2010, with imports somewhat higher in the warmer months and in the colder months, but dipping in the spring and fall. The seasonal pattern was not very pronounced, however.

LNG Import Volume by Country, 2010



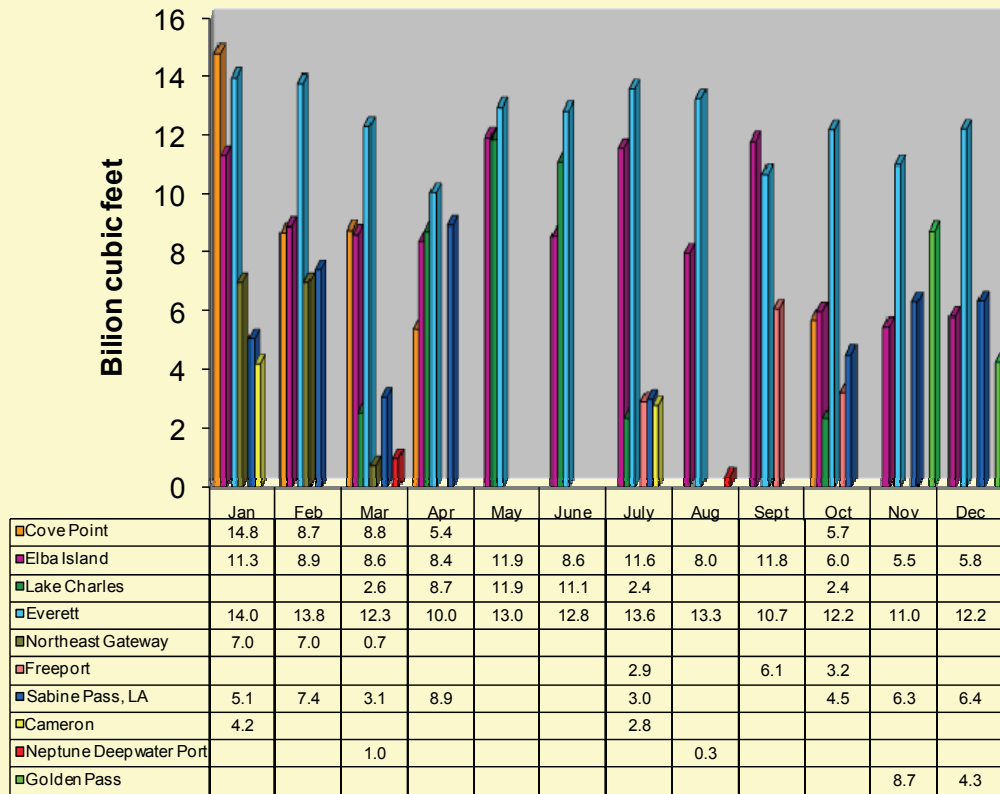
- Trinidad & Tobago was the main supplier of LNG to the U.S. in 2010, providing 190 Bcf, and was the leading LNG supplier in every month throughout the year.
- Seven countries supplied LNG to the U.S. in 2010, including two new suppliers – Peru and Yemen.
- Trinidad & Tobago was the only supplying country providing LNG to the U.S. in each month of 2010.

Number of LNG Import Cargos by Country, 2010



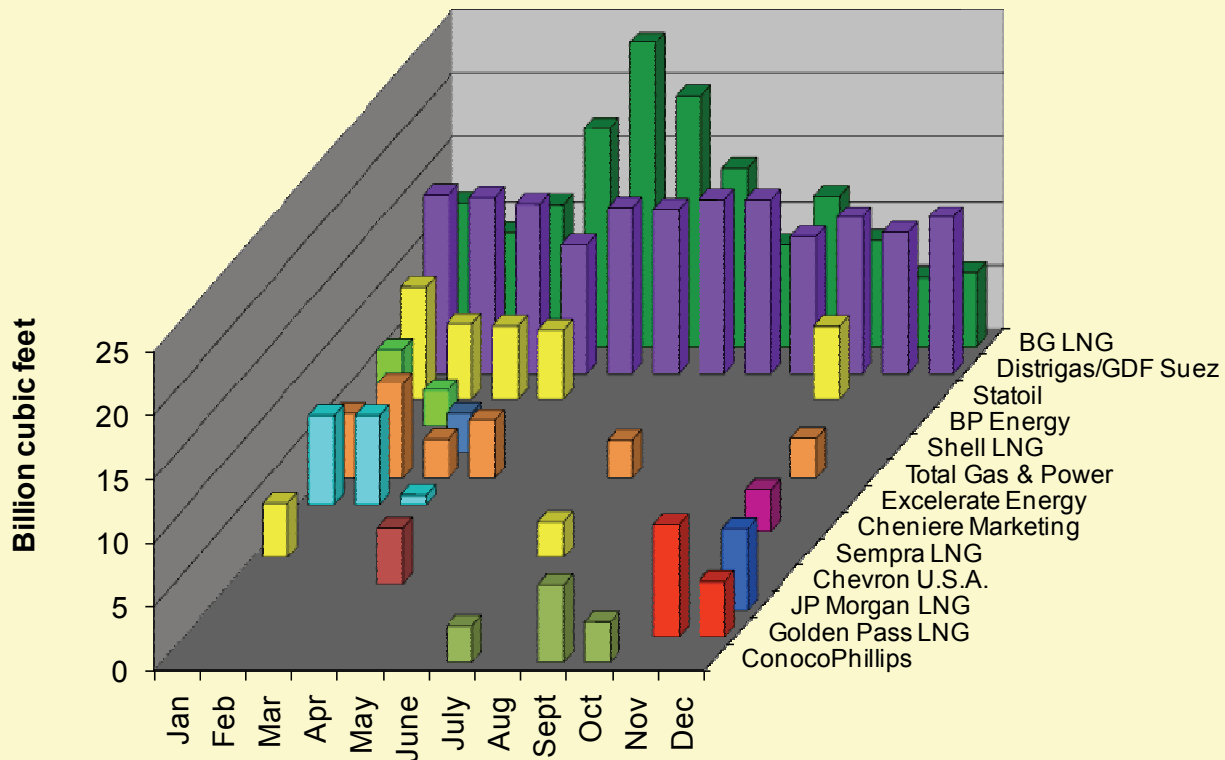
- Trinidad & Tobago was the source of the largest number of LNG cargoes (79) to the U.S. in 2010, originating as many shipments than all other countries combined.
- Egypt was second, with nearly 25 cargoes (one was partially discharged in 2009), followed by five others, including two new supplying countries, Peru and Yemen.

LNG Imports by Terminal, 2010



- Ten of the eleven active U.S. LNG terminals received at least one cargo during the year. Everett and Elba Island received the most LNG of all U.S. terminals in 2010. Both also received volumes in each month of the year.
- Eight other terminals received shipments during 2010, but none of these received cargos consistently on a monthly basis.
- Two terminals began operations in 2010, Neptune Deepwater Port and Golden Pass LNG. One terminal, Gulf Gateway, did not receive any LNG during the year.

LNG Imports by Company, 2010

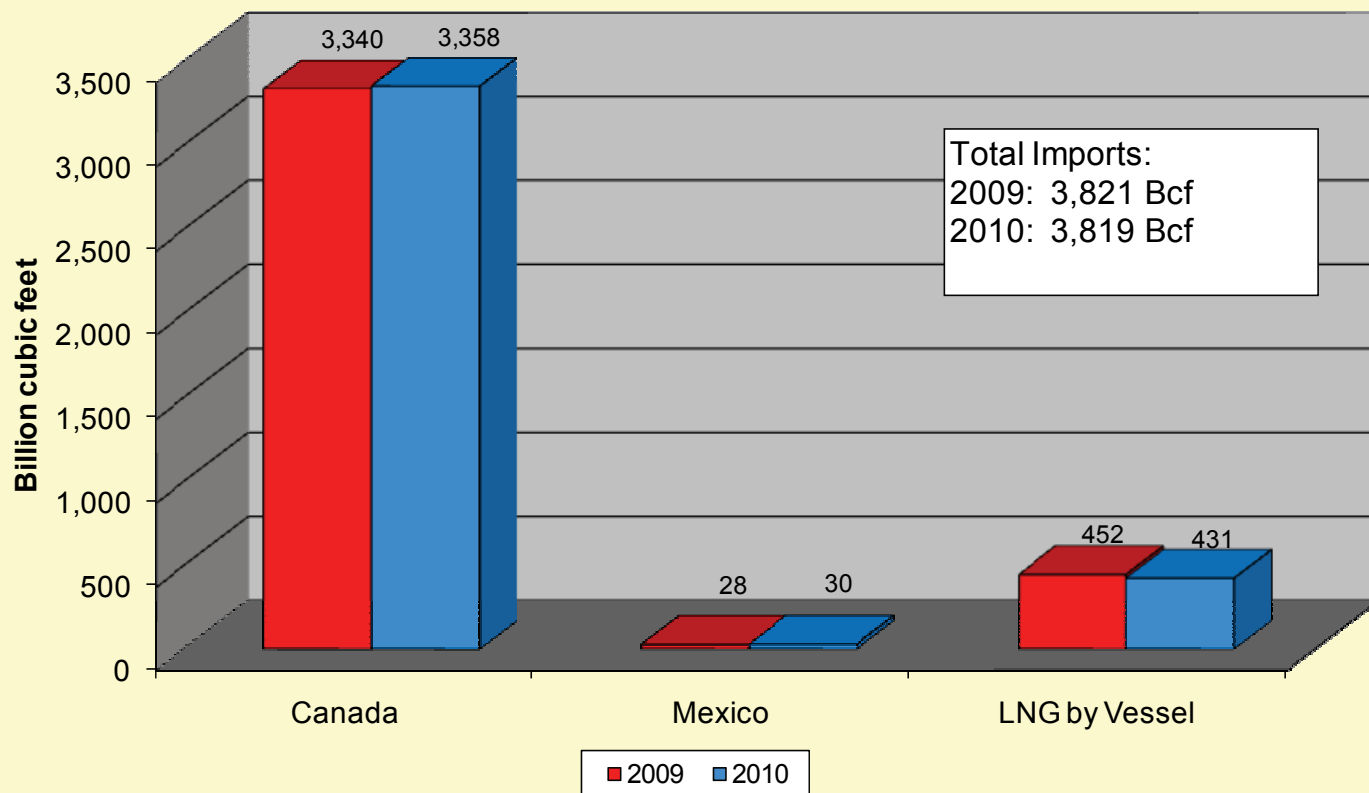


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
BG LNG	11.3	8.9	11.2	17.1	23.8	19.7	14.0	8.0	11.8	8.4	5.5	5.8	145.5
Distrigas/ GDF Suez	14.0	13.8	13.3	10.0	13.0	12.8	13.6	13.6	10.7	12.2	11.0	12.2	150.3
Statoil	8.8	5.9	5.8	5.4						5.7			31.6
BP Energy	6.0	2.8											8.8
Shell LNG			3.0										3.0
Total Gas & Power	5.1	7.4	3.1	4.6			3.0				3.1		26.3
Excelebrate Energy	7.0	7.0	0.7										14.7
Cheniere Marketing											3.2		3.2
Sempra LNG	4.2						2.8						7.0
Chevron U.S.A.				4.4						4.5			8.9
JP Morgan LNG												6.4	6.4
Golden Pass LNG											8.7	4.3	13.0
ConocoPhillips							2.9		6.1	3.2			12.2

- BG LNG and Distrigas/GDF Suez were by far the largest LNG importers again during 2010. They were also the only companies that received cargoes in each month of the year. Eleven other companies imported at least one cargo during 2010.

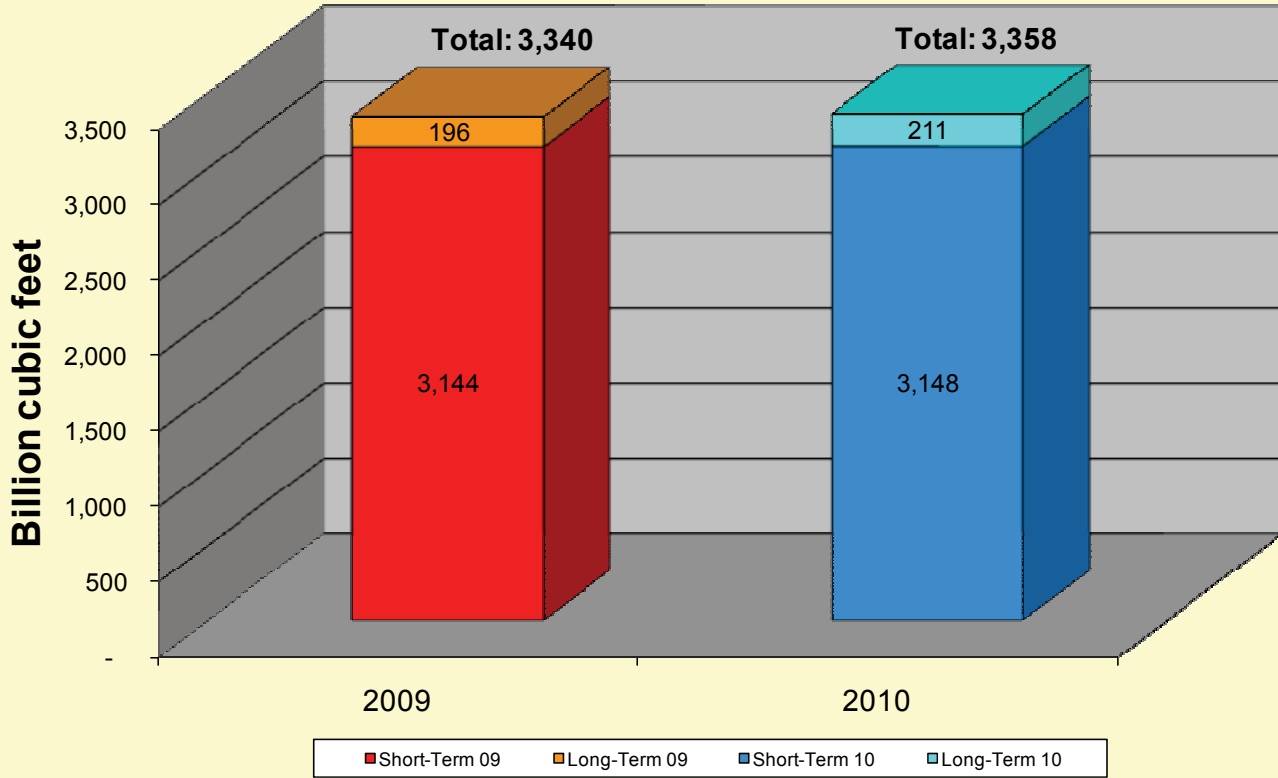
2010 vs. 2009

Natural Gas Imports by Source



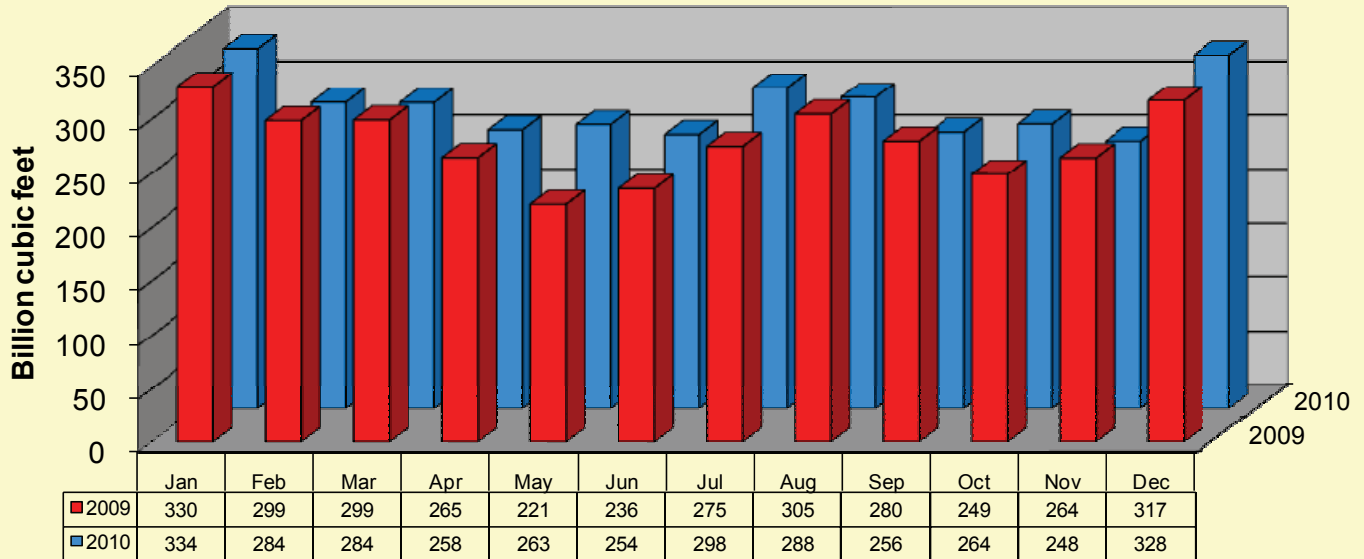
- In 2010, as in previous years, Canada was the leading source for imports into the United States, followed by LNG by vessel, and Mexico.
- In 2010, imports by pipeline were slightly higher than in 2009. LNG imports decreased between 2009 and 2010 by about 21 Bcf.

Imports from Canada by Type



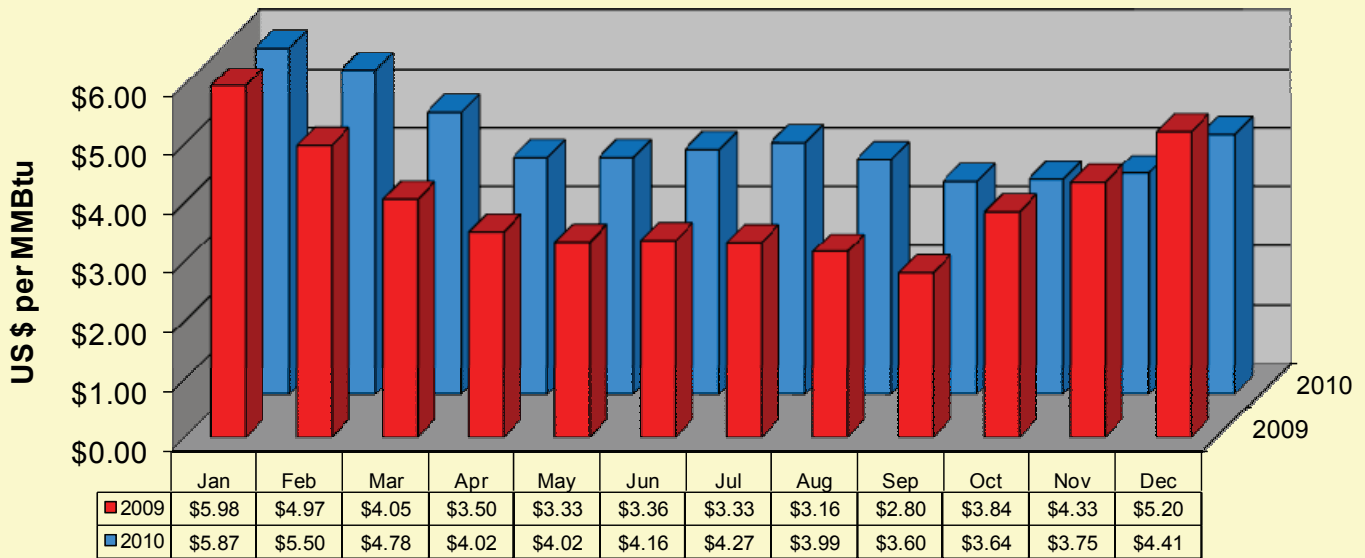
- Both long-term and short-term imports from Canada were slightly higher in 2010 than the previous year.

Imports to Canada by Month



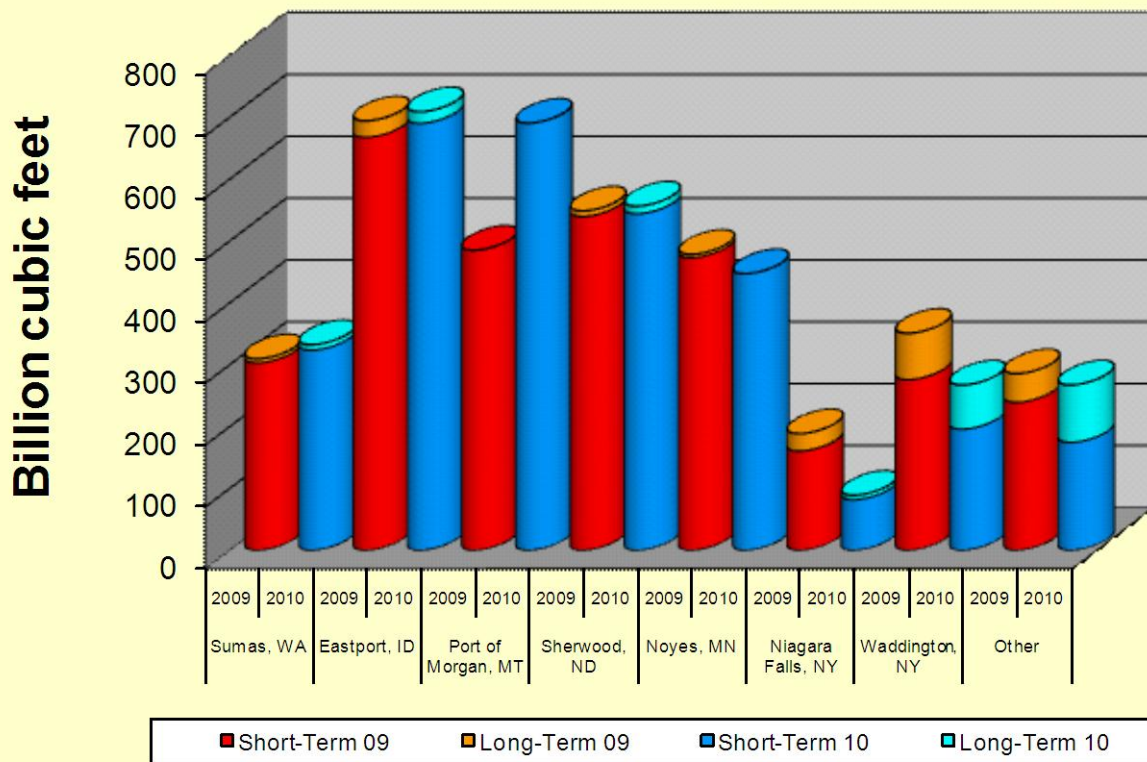
- Monthly import levels in 2010 didn't show any distinct pattern (e.g., higher or lower) than the 2009 levels.

Prices of Canadian Imports by Month



- After January, average prices of imports from Canada were consistently higher through August in 2010 than in 2009. In the final quarter of the year, however, prices were lower than the fourth quarter of 2009.

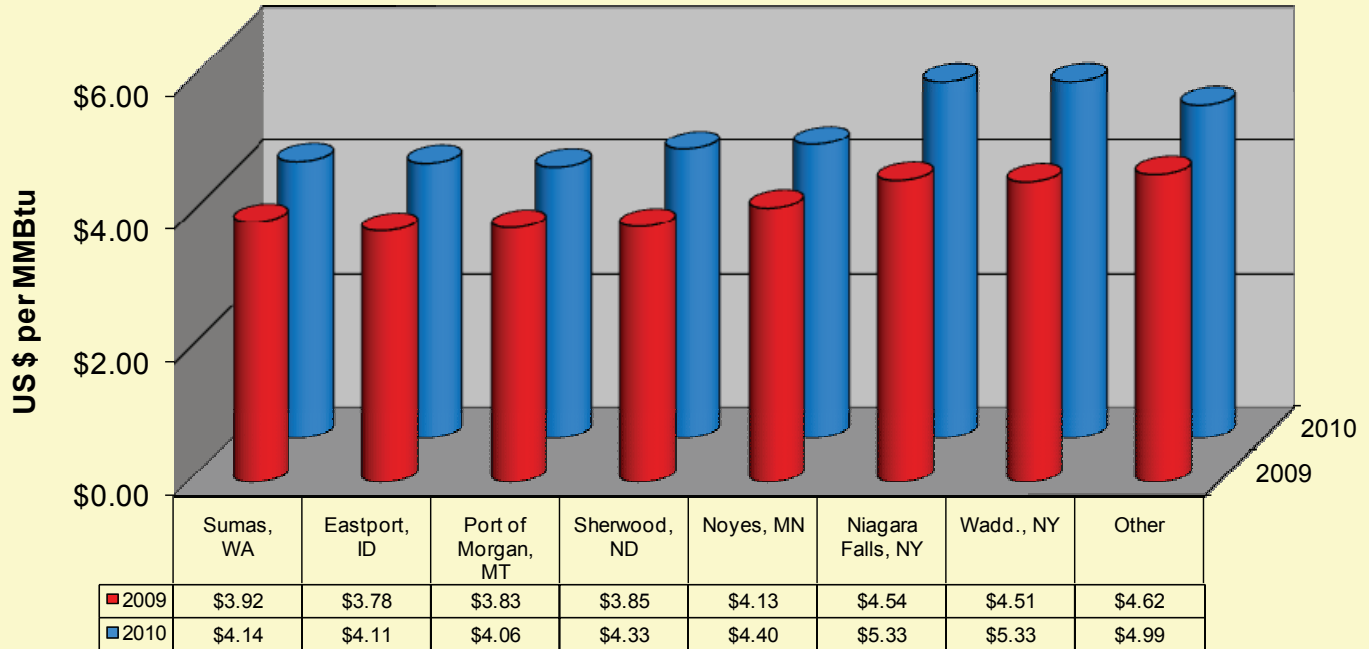
Imports from Canada by Entry Point



		Sumas, WA	Eastport, ID	Port of Morgan, MT	Sherwood, ND	Noyes, MN	Niagara Falls, NY	Waddington, NY	Other
2009	Short-Term	302.9	667.7	485.0	539.6	473.1	160.6	275.9	239.2
	Long-Term	6.6	26.4	0.0	8.9	5.3	27.9	74.9	46.3
	Total	309.5	694.1	485.0	548.5	478.4	188.5	350.8	285.5
2010	Short-Term	323.5	690.3	690.5	544.1	447.1	81.8	195.9	174.5
	Long-Term	8.9	18.5	0.0	12.3	0.0	7.2	71.3	92.7
	Total	332.4	708.8	690.5	556.3	447.1	89.0	267.2	267.2

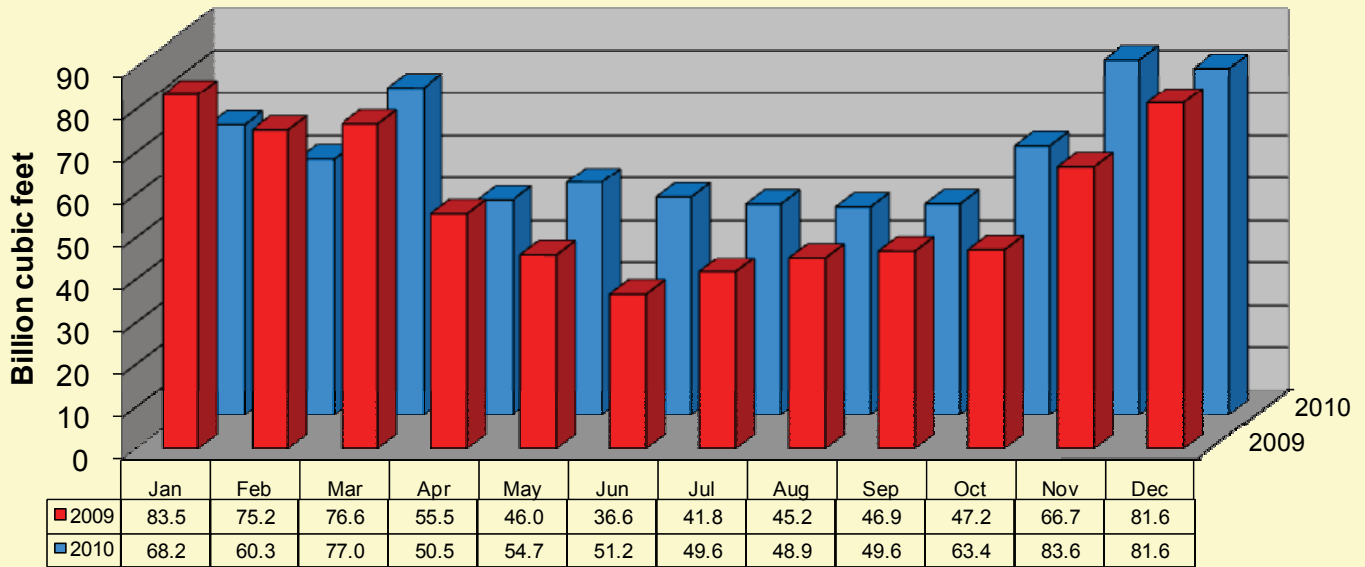
- Among the major import points featured above, the 2010 volume of imports was fairly close to the 2009 volumes at most locations.
- Short-term imports dominated long-term flows at all entry points, but some points had more significant long-term traffic than others. Of those featured above, Niagara Falls and Waddington had the greatest percentage of long-term imports in 2010, while Port of Morgan had none.

Prices of Candian Imports by Entry Point



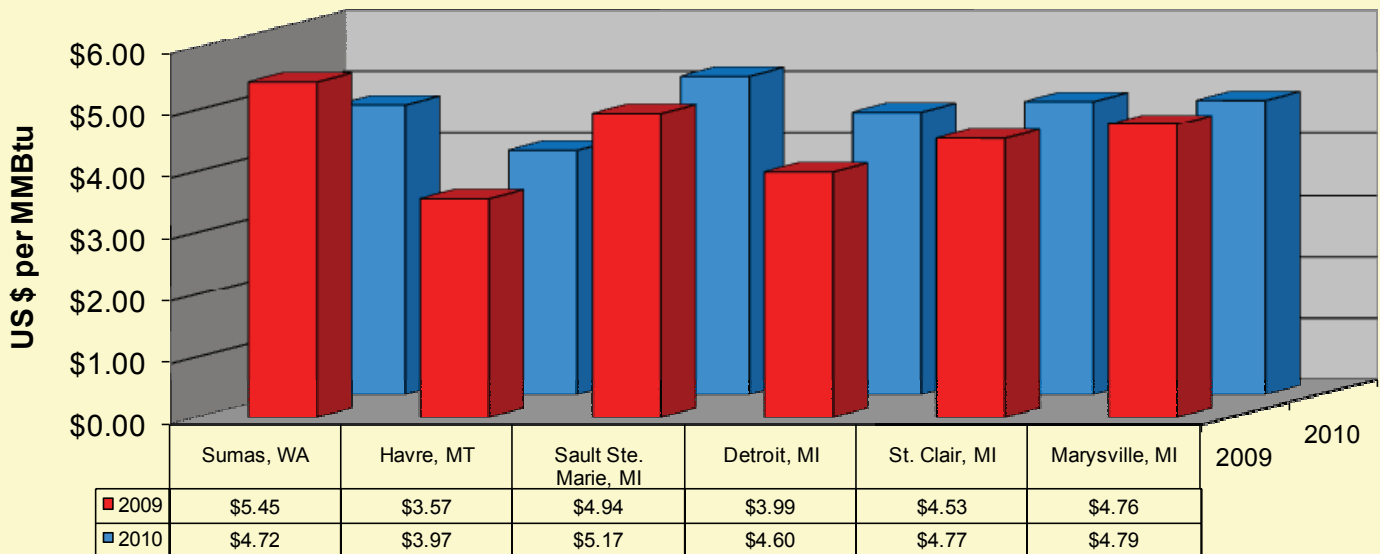
- Annual weighted-average prices were higher in 2010 than in 2009 at each entry point shown. Among the major points shown above, annual prices increased moderately at each point.

Exports to Canada by Month



- Exports to Canada were lower during the first four months in 2010 than they were in the corresponding month of 2009. Beginning in May, they were higher or equal to 2009 values.

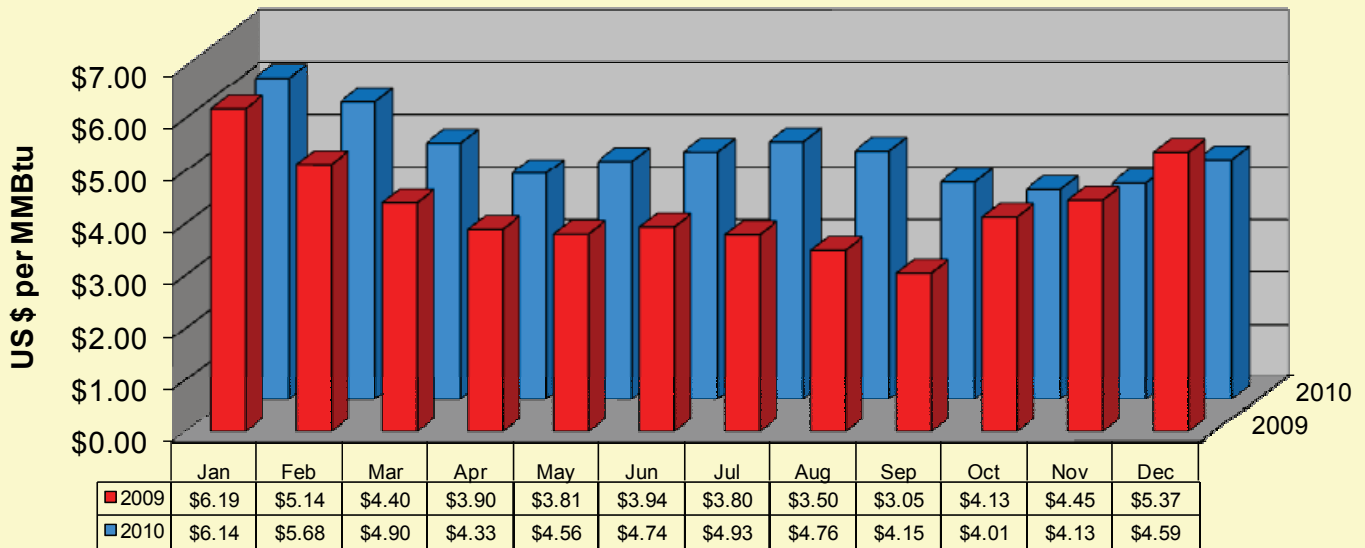
Price of Exports to Canada for Selected Exit Points



Note: These selected export points handle 99% of US gas exports to Canada.

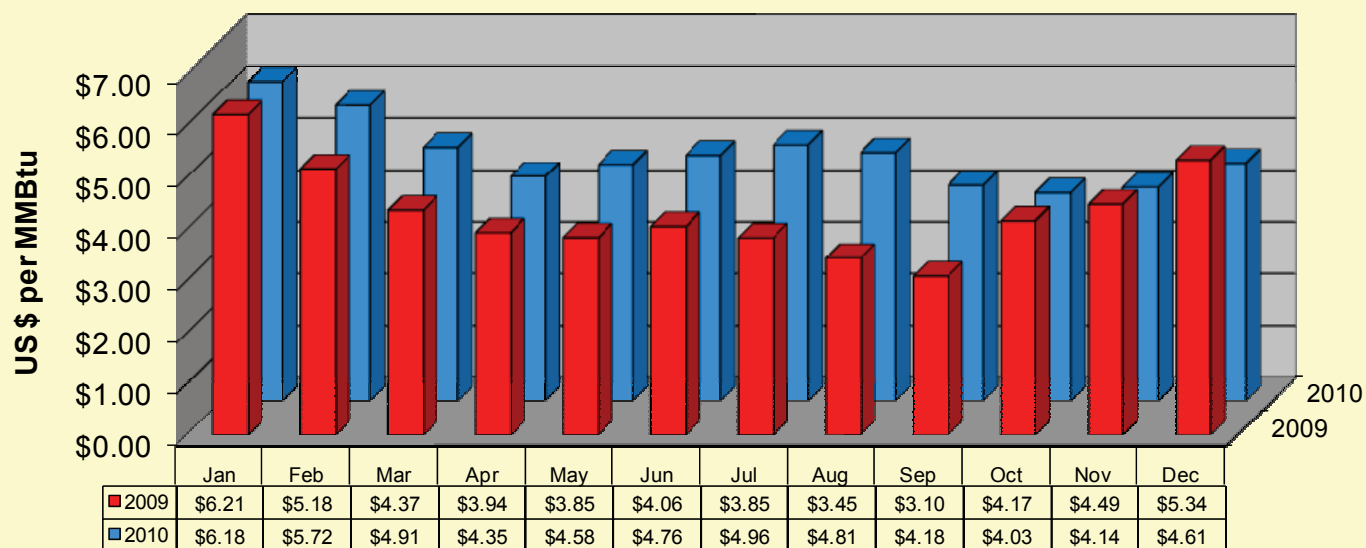
- Annual weighted-average export prices at most of the major exit points featured above were moderately higher in 2010 than in 2009. The average price for 2010 was lower only at the Sumas exit point.

Prices of Exports to Canada by Month



- Tracking the pattern in import prices, after January, average monthly prices of exports to Canada were consistently higher through August in 2010 than in 2009. In the final quarter of the year, however, prices were lower than in 2009.

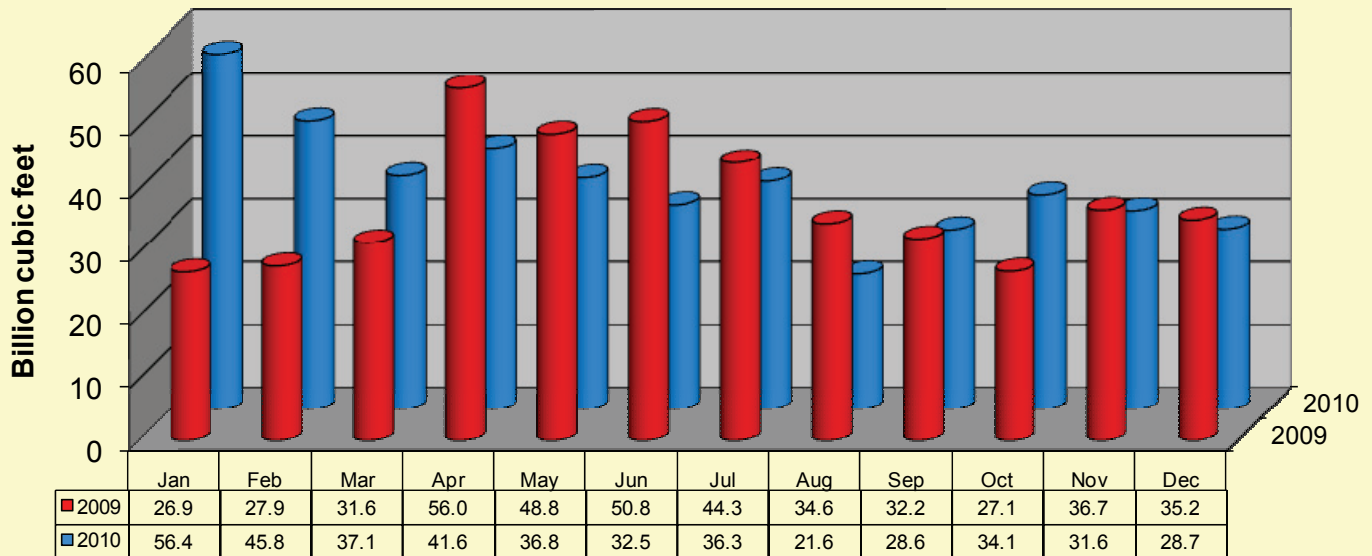
St. Clair, MI Export Prices



Note: The St. Clair export point handles more than 80% of US gas exports to Canada.

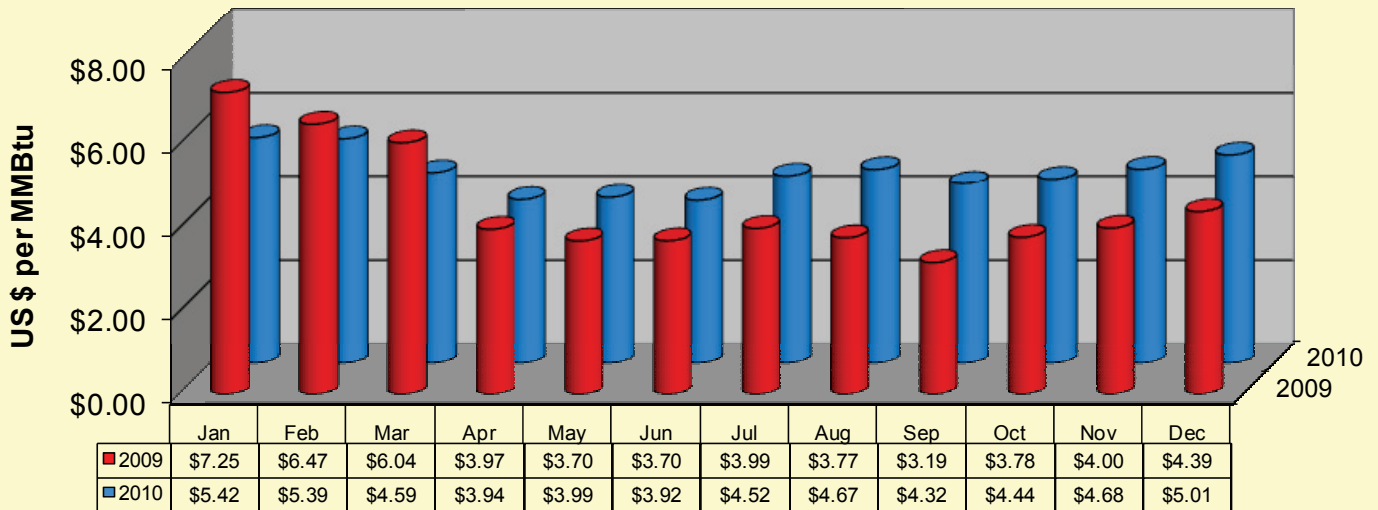
- As with prices of exports to Canada overall, weighted-average prices of exports to Canada through the St. Clair, Michigan exit point were lower in January and the fourth quarter of 2010 than in the corresponding months in 2009. St. Clair dominates U.S. exports to Canada, handling more than 80 percent of those flows.

LNG Imports by Month



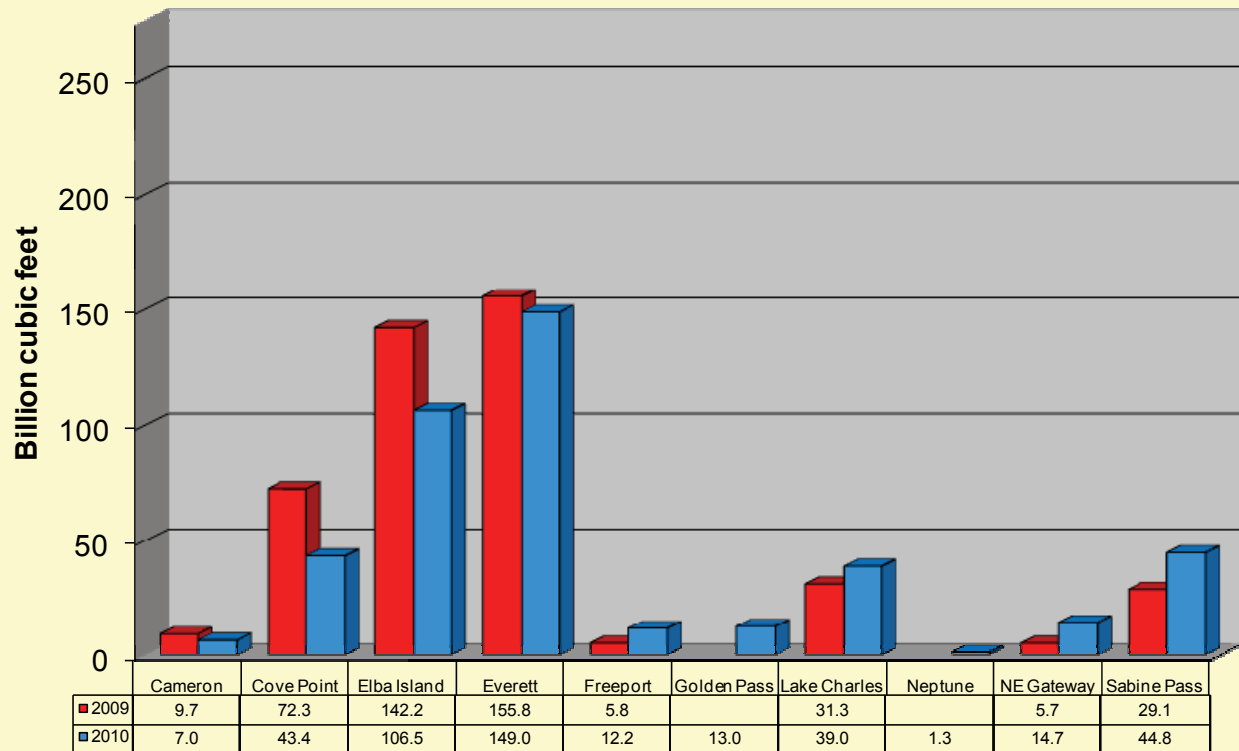
- Although the overall level of LNG imports was slightly lower in 2010 than in 2009, imports in some corresponding months were higher in 2010.

Prices of LNG Imports by Month



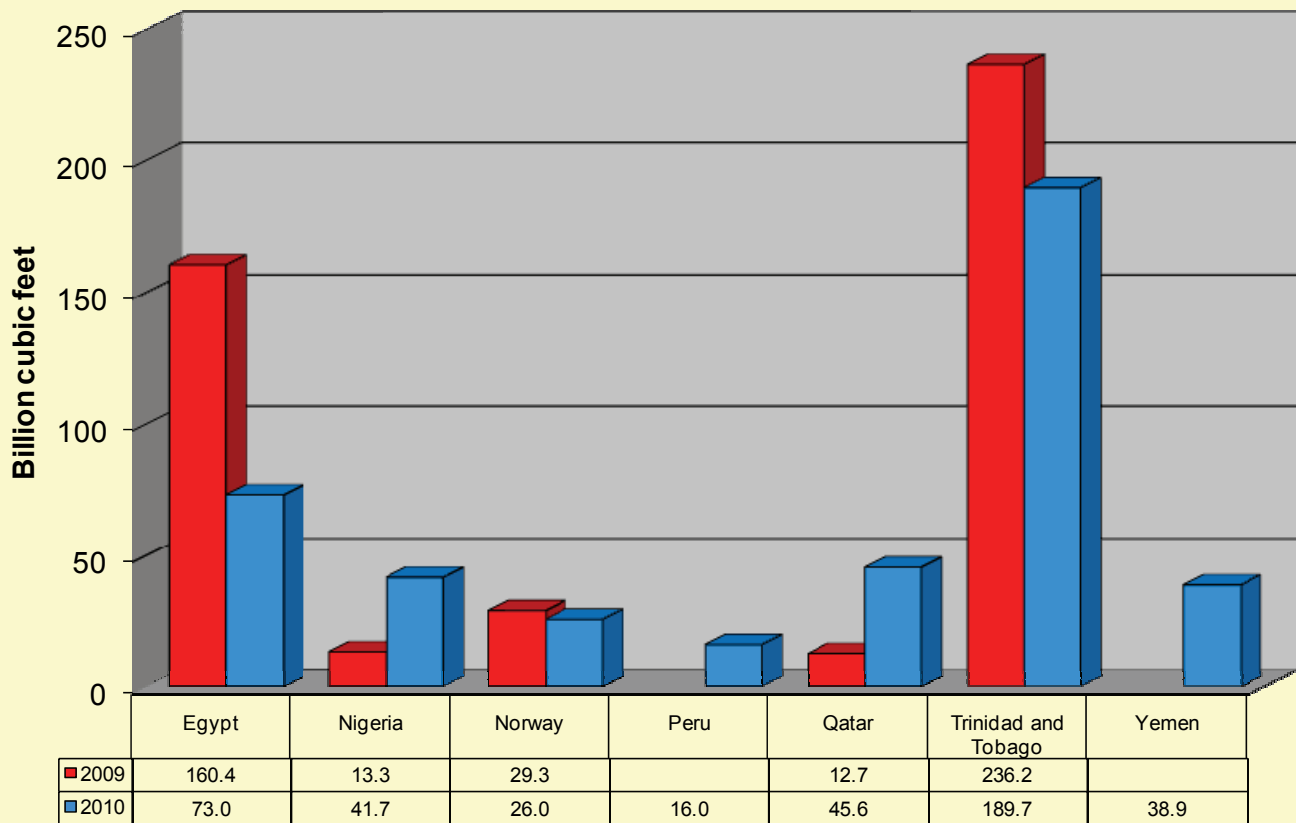
- Through April, average LNG import prices were lower in 2010 than in 2009, then moderately higher for the remainder of the year.

LNG Imports by Receiving Terminal



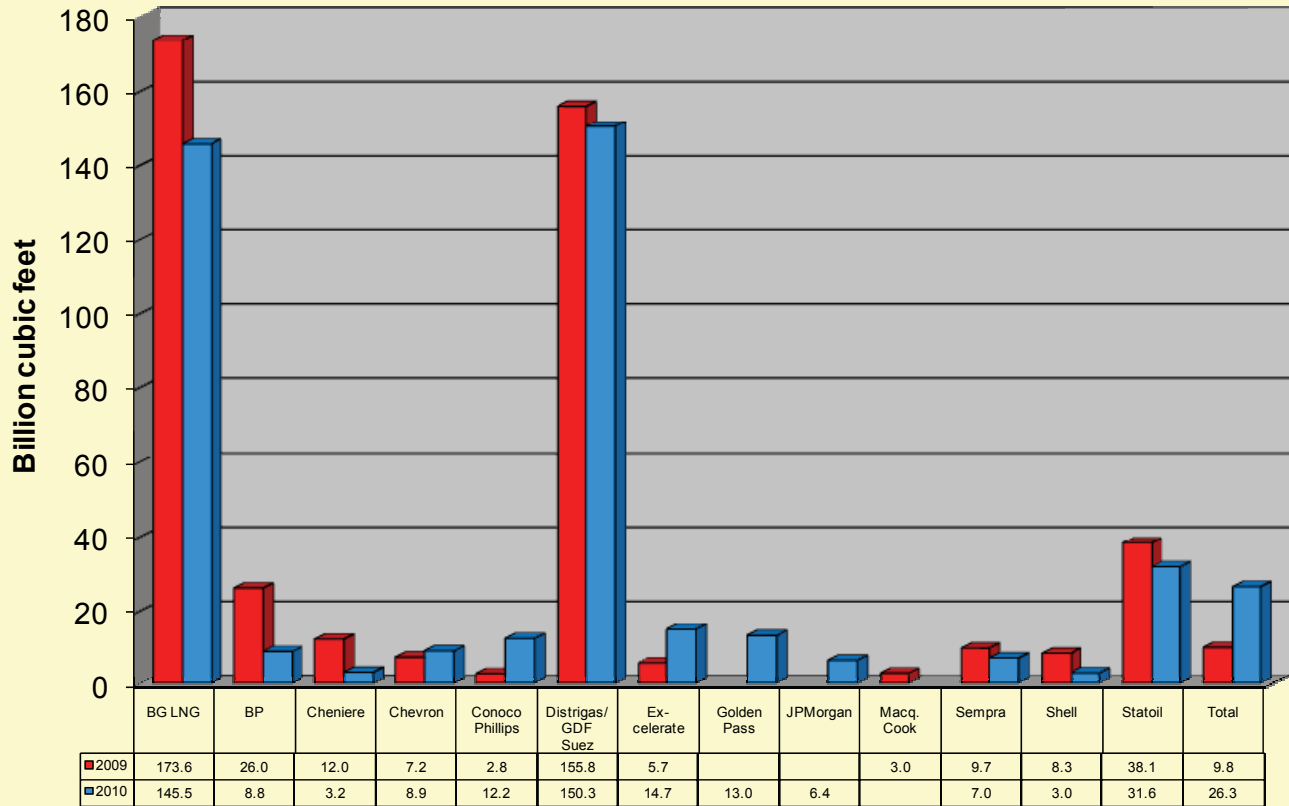
- Although total LNG imports were lower in 2010 than in 2009, some terminals experienced an increase in volume, and some a decrease. Two new terminals started operations in 2010, Neptune Deepwater Port and Golden Pass LNG.

LNG Imports by Country of Origin



- Imports decreased between 2009 and 2010 from Trinidad and Tobago and Egypt, the two largest suppliers, as well as from Norway. Imports from Nigeria and Qatar increased, however, and shipments began from Peru and Yemen.

LNG Imports by Company

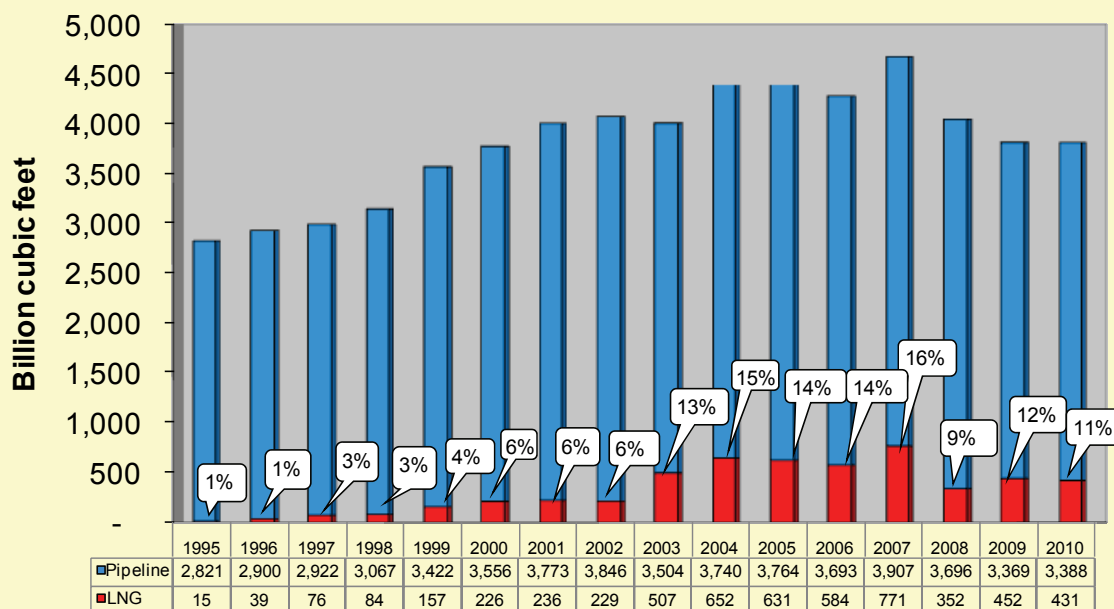


- In keeping with other import trends, some importing companies brought more LNG into the U.S. in 2010 than in 2009, and some brought less. More companies participated in imports in 2010, however, with Golden Pass LNG and JPMorgan beginning imports last year.

Long-Term Trend Analysis

Imports, Pipeline vs LNG

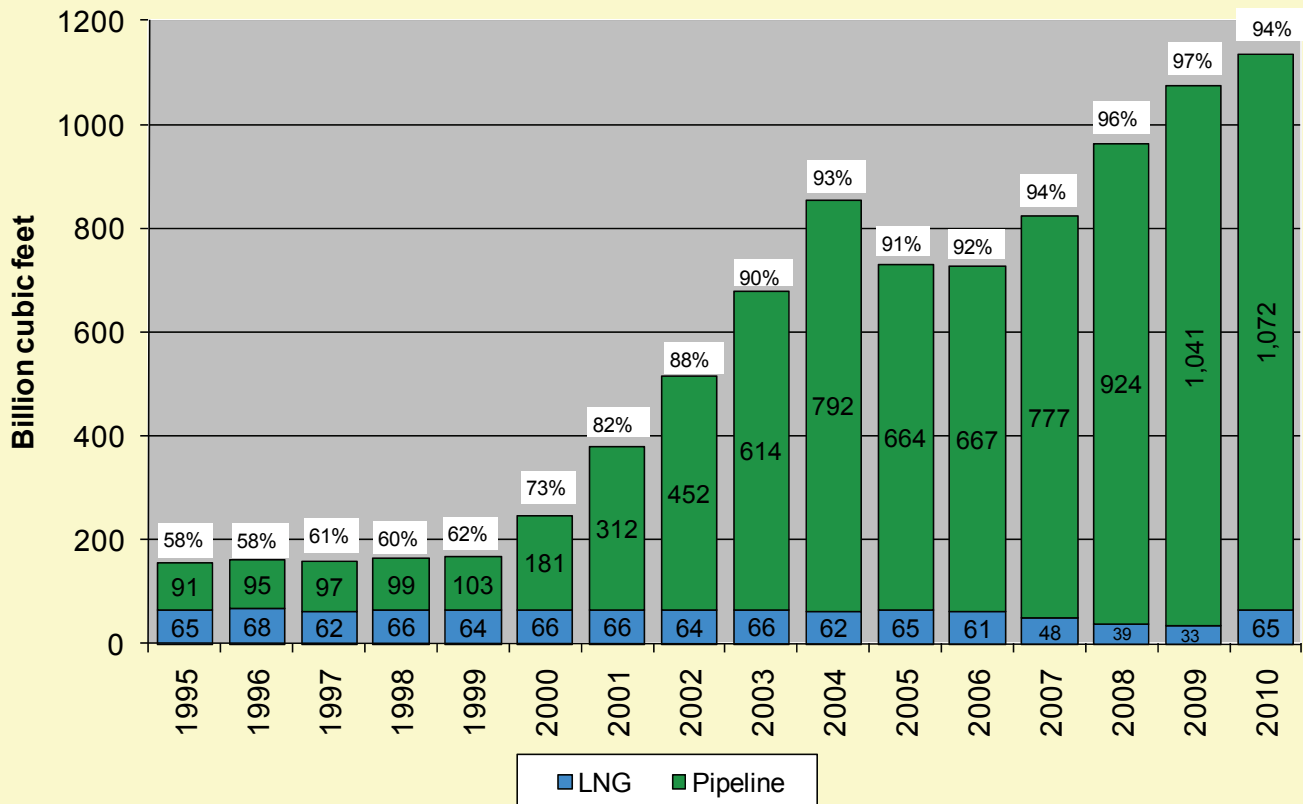
& LNG as Percentage of Imports



- In 2010, LNG represented just 11 percent of U.S. natural gas imports. This figure was slightly lower than in 2009, and continuing a recent trend of lower LNG import percentage compared with the peak years of 2003 to 2007.

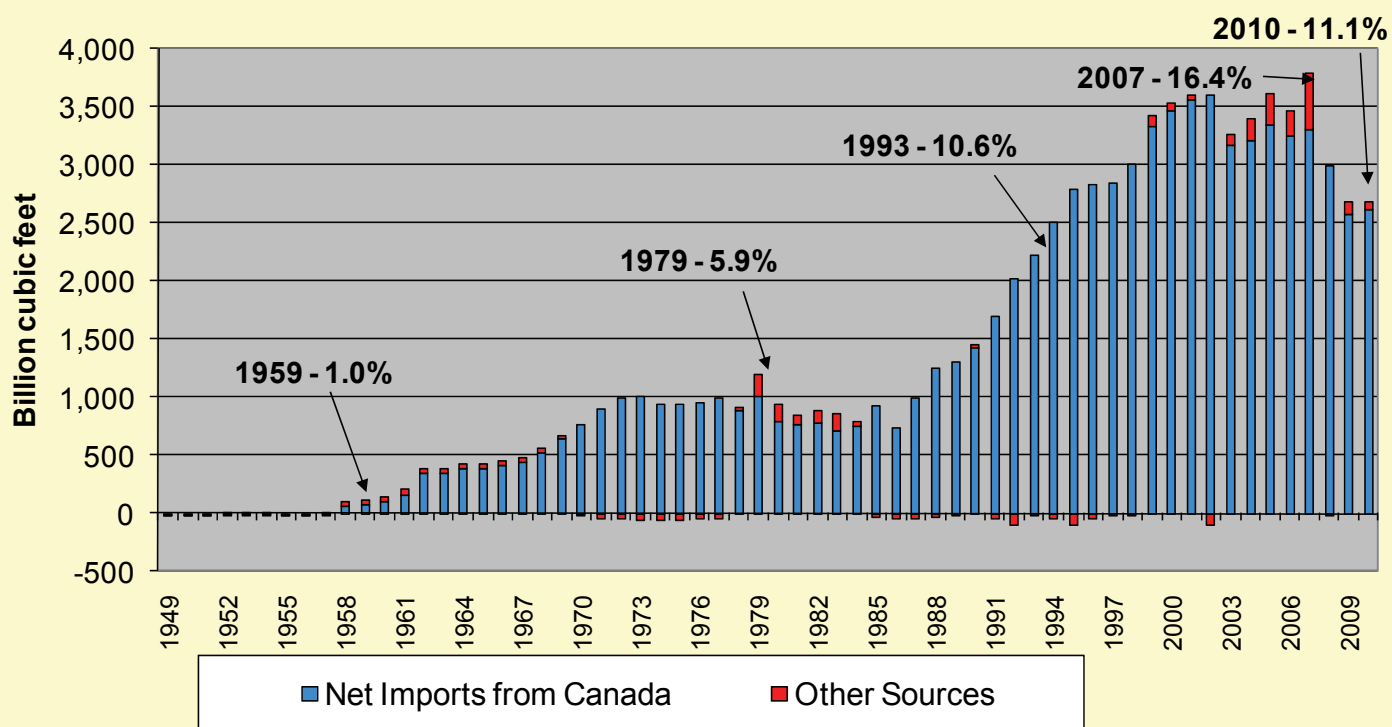
Exports, Pipeline vs LNG

& Pipeline Exports as Percentage of Total



- Reversing a recent trend, exports via pipeline constituted a lower percentage of U.S. natural gas exports in 2010 than in the previous year. The recent phenomenon of re-exporting foreign-sourced LNG that had been stored in the U.S. was an important contributing factor in the relative decline in pipeline exports.

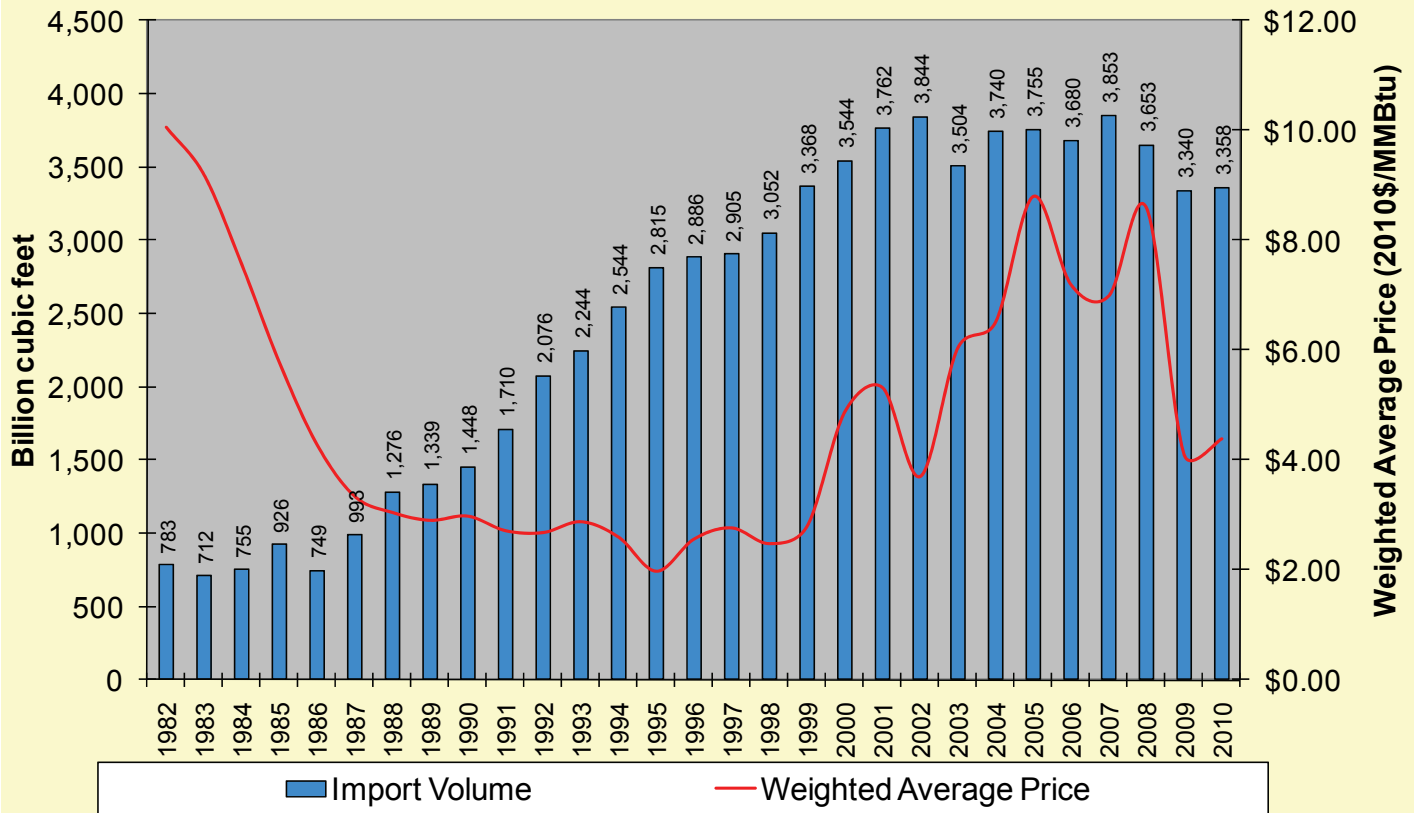
Net Imports from Canada and Other Sources & Imports as Percentage of US Gas Consumption, Selected Years



Sources: Energy Information Administration, Annual Energy Review 2009, Table 6.3, "Natural Gas Imports, Exports, and Net Imports, 1949-2009"; and Office of Fossil Energy, Office of Natural Gas Regulatory Activities.

- This long-term view of imports and exports illustrates the continuing dominance of Canada in American natural gas trade. The U.S. has been a net importer of gas from Canada since the late 1950s. The gas trade with Canada dwarfs all other gas exchange combined.
- 2008 saw the reversal of a recent trend in the importance of gas imports, and this continued in 2009 and again in 2010. In 2007, imports reached a peak of 16.5 percent of annual U.S. gas consumption, based largely on increasing LNG imports. In 2010, net imports were a smaller fraction (11.1 percent) of U.S. gas consumption than at any time since 1993.

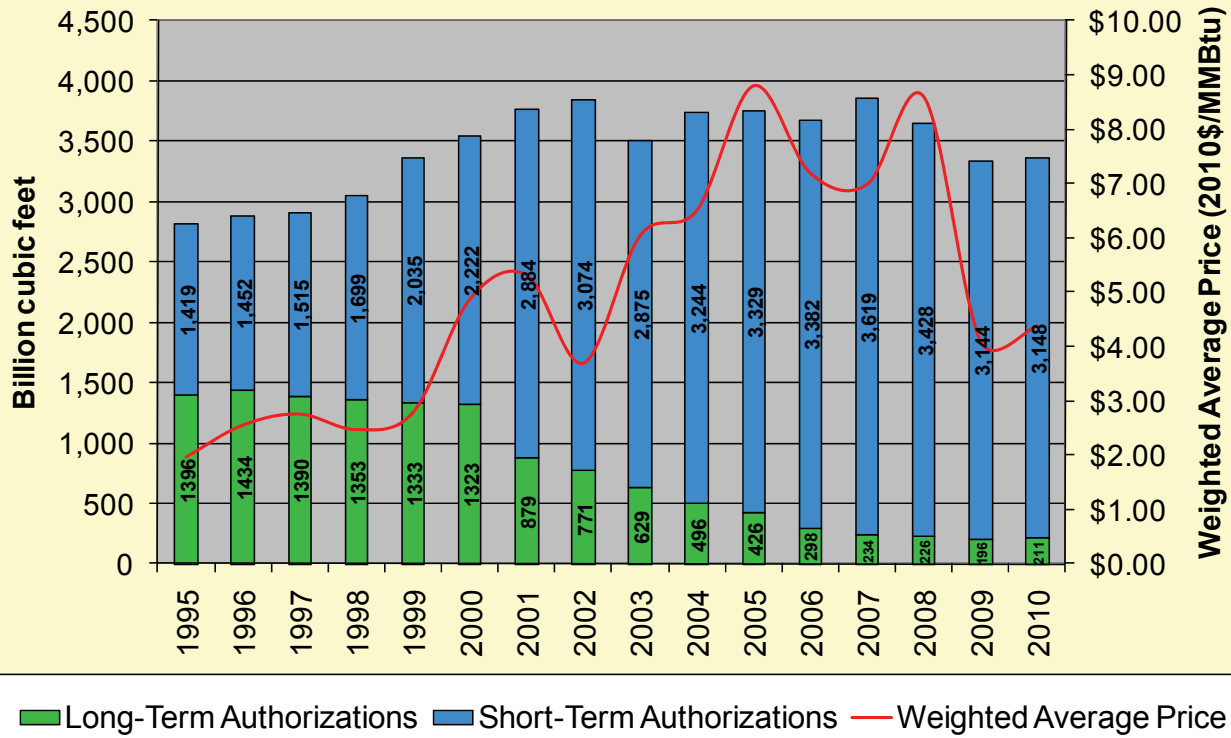
Imports from Canada



- Imports from Canada have grown substantially over the past 25 years, reaching an approximate plateau at about the turn of the century.
- Volume-weighted prices of Canadian imports, in inflation-adjusted dollars, dropped through the 1980s, held roughly constant in the 1990s, and began climbing in the latter part of that decade. There have been up or down swings from year to year, but import prices had remained at an elevated level until 2009, when prices dropped to a level not seen since 2002. 2010 prices were just slightly higher.

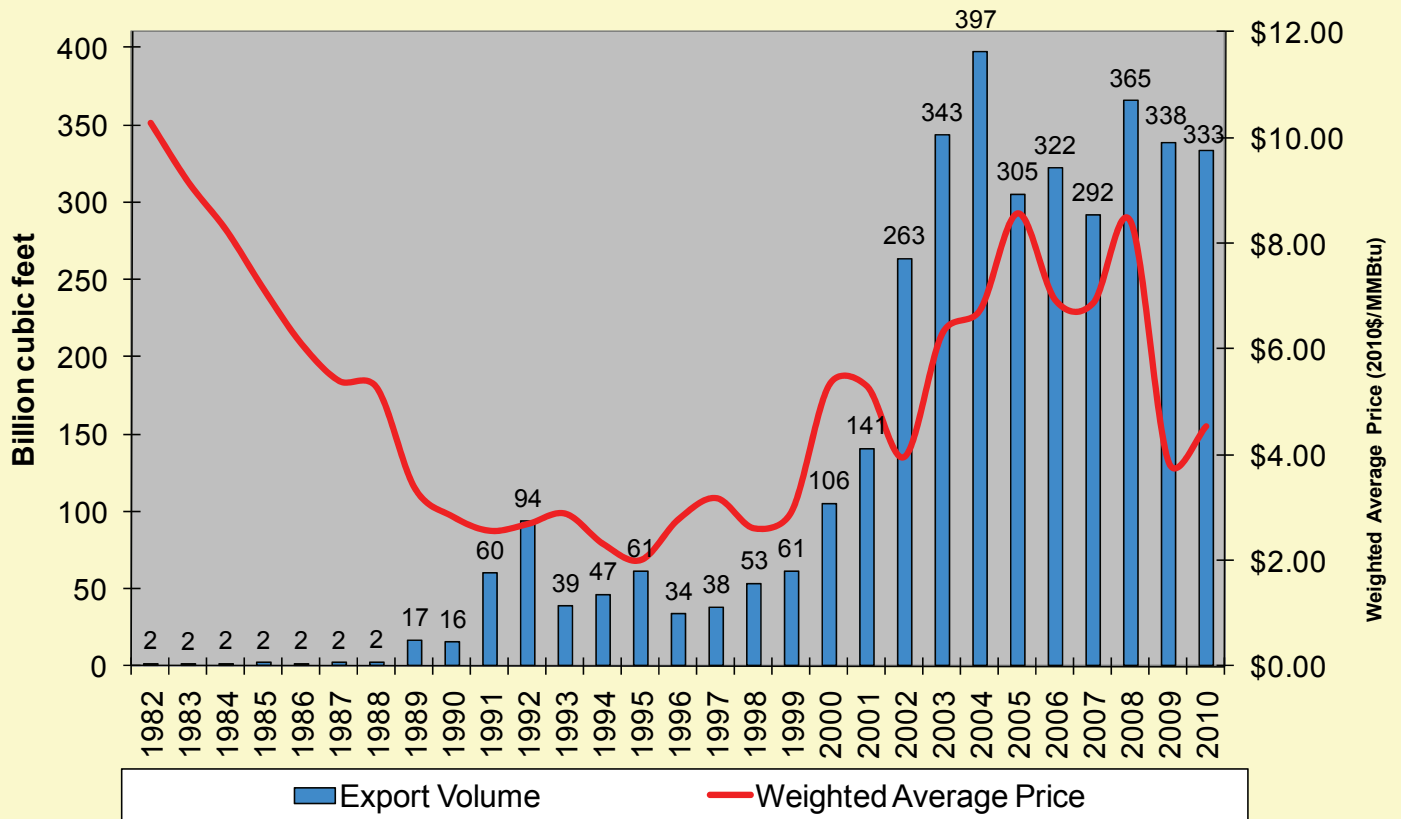
Imports from Canada

Long-Term vs Short-Term Authorizations



- Imports of Canadian natural gas have increasingly been made under short-term authorizations, with the use of long-term authorizations steadily dwindling. However, long-term import volumes were up slightly in 2010 compared to 2009 (211 Bcf in 2010 vs. 196 Bcf in 2009).

Natural Gas Exports to Mexico



- From a low level in the early 1980s, U.S. exports to Mexico have grown substantially. While showing fairly large increases and decreases from year to year, the overall level of exports has remained on the order of 300 Bcf per year, or higher, for the last several years. Annual exports to Mexico reached their highest level to date in 2004, at 397 Bcf.