

SUMMARY

The Office of Natural Gas & Petroleum Import & Export Activities prepares quarterly reports showing natural gas import and export activity. Companies are required, as a condition of their authorizations, to file quarterly reports. This report is for the first quarter of 2006 (January through March).

Attachment A shows the percentage of takes to maximum firm contract levels and the weighted average per unit price for each of the long-term importers during the 5 most recent quarters.

Attachment B shows volumes and prices of gas purchased by long-term importers and exporters during the past 12 months.

Attachment C shows volume and price data for gas imported on a short-term/spot market basis.

Attachment D shows the gas exported on a short-term/spot market basis to Canada and Mexico.

First Quarter Highlights: Changes in activity compared to the first quarter of 2005 (Bcf).

Canadian Imports	940.5	down 5.8%
LNG Imports	111.4	down 29.2%
Mexican Imports	2.5	up 733.3%
Total Imports	1,054.4	down 8.8%
Canadian Exports	102.1	down 40.1%
Mexican Exports	61.0	down 32.3%
LNG Exports (Japan)	16.7	same
Total Exports	179.8	down 35.1%

Puerto Rican Imports	5.1	up 41.7%
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The Puerto Rican imports are shown in the table above, on the following page, and in Attachment B-1. These imports are not reflected in any of the totals found on this page, as the summaries are only for trade pertaining to the continental U.S.

During the first quarter, 5 importers of LNG (BG LNG Services, LLC.; BP Energy Company; Distrigas Corporation; Shell NA LNG, LLC; and Statoil Natural Gas, LLC) brought in 40 cargoes from 4 countries (Algeria, Egypt, Nigeria, and Trinidad), totaling 111.4 Bcf. This compares to 58 cargoes and 157.3 Bcf in the first quarter of 2005, and 61 cargoes and 168.8 Bcf last quarter.

First Quarter Data: Natural gas imports under all long-term contracts totaled 131.9 Bcf, compared to 166.4 Bcf in the first quarter 2005. **Long-term Canadian imports** decreased 26.8 percent (84.8 v. 115.8 Bcf). The average price of this gas was \$7.87 per MMBtu, compared to \$6.21 in the first quarter of 2005 and \$10.46 last quarter. **Long-term LNG imports** decreased 6.7 percent compared to the first quarter 2005 (47.2 v. 50.6 Bcf). Under long-term contracts, Distrigas imported 20.0 Bcf from Trinidad at an average price of \$9.39 per MMBtu. BG LNG imported

21.1 Bcf from Trinidad at \$8.63 per MMBtu and 6.1 Bcf from Nigeria at \$9.27 per MMBtu.

During the first quarter, 107 companies used **short-term authorizations to import** 922.5 Bcf, which is 6.8 percent less than the first quarter of 2005 (989.9 Bcf). Of this total, 855.7 Bcf was **imported from Canada** at \$8.20 per MMBtu, compared to 882.9 Bcf at \$6.09 in the first quarter 2005, and 886.5 Bcf at \$11.25 in the previous quarter. **Imports from Mexico** totaled 2.5 Bcf at \$7.07 per MMBtu, compared to 0.3 Bcf at \$6.68 in the first quarter of 2005 and 7.4 Bcf at \$8.46 in the previous quarter. **Short-term LNG imports** totaled 64.3 Bcf for the quarter, compared to 106.7 Bcf in the first quarter of 2005 and 133.8 Bcf last quarter. See the table on the following page for more details.

Short-term imports from Canada by point of entry:

Point of Entry	% of Imports	Wt. Avg. \$
Port of Morgan, MT	20	\$8.05
Sherwood, ND	18	\$7.97
Eastport, ID	18	\$7.71
Noyes, MN	12	\$8.11
Waddington, NY	9	\$9.34
Niagara Falls, NY	9	\$8.82
Sumas, WA	6	\$7.61
Grand Island, NY	3	\$8.37
Calais, ME	2	\$9.23
Other	3	\$8.65

In addition, 32 **short-term export** authorizations were used, exporting a total of 163.1 Bcf. Nineteen companies exported 102.1 Bcf to Canada at an average price of \$8.51 per MMBtu; thirteen companies exported 61.0 Bcf to Mexico at \$7.30. Finally, 16.7 Bcf of **LNG was exported to Japan** at \$6.45 (delivered).

Year to Date Data: Comparing the first quarter of 2006 with the first quarter of 2005, total gas imports decreased 8.8 percent (1,054.4 v. 1,156.3 Bcf) and total gas exports decreased 35.1 percent (179.8 v. 277.2 Bcf). Canadian imports decreased 5.8 percent (940.5 v. 998.7 Bcf); and LNG imports decreased 29.2 percent (111.4 v. 157.3 Bcf). Imports from Mexico increased 733.3 percent (2.5 v. 0.3 Bcf). Exports to Canada decreased 40.1 percent (102.1 v. 170.4 Bcf) and exports to Mexico decreased 32.3 percent (61.0 v. 90.1 Bcf). LNG exports to Japan remained constant (16.7 Bcf).

Please note that the data in this Report is subject to revision. Revisions occur when companies file late or corrected data after the Report has been published. The Quarterly Report is available on the Fossil Energy Web Site at <http://www.fe.doe.gov> (click on Natural Gas Regulation). Any questions or comments about this report should be directed to Yvonne Caudillo at (202) 586-4587 or by E-mail at yvonne.caudillo@hq.doe.gov.