

SUMMARY

The Office of Oil and Gas Global Security and Supply, Office of Natural Gas Regulatory Activities prepares quarterly reports showing natural gas import and export activity. Companies are required, as a condition of their authorizations, to file monthly reports. This Natural Gas Import and Export Report is for the first quarter of 2008 (January through March).

Last quarter we introduced a new look for the quarterly summary. We replaced most of the text with easy-to-read data tables on the following pages. This quarter is the beginning of a new era for the Report, bringing even more changes for the better. In addition to the new summary format, we redesigned the detailed transaction sections of the report, formerly known as Attachments A through D. We have also added a table of contents in order to make the sections of the redesigned report easier to locate.

Sections 1 and 2 contain the quarterly summary charts and tables. Section 3 contains detailed information about import and export transactions. The data in Section 3 is still separated by long-term imports, long-term exports, short-term imports and short-term exports. The most noticeable changes are: (1) the addition of docket numbers in the long-term sections; (2) the display of the actual monthly volume for the long-term transactions (instead of showing the average daily quantity and the total volume for the quarter); (3) the elimination of Attachment A (actual long-term imports as a percentage of authorized volumes); (4) the elimination of Attachment C-3 (purchasers of short-term sales/imports); and (5) the elimination of part of Attachment D (the purchasers of short-term exports). These last two sections showing the purchasers were eliminated due to the decreasing availability of this information over the last several years, as most importer/exporters have become marketers rather than direct suppliers to specific customers. The table formerly known as Attachment C-1 (Short-term Blanket Imports – number of active importers/ volumes/prices by month) is now Table 1p. Table 1p also contains the same information for long-term imports.

First Quarter Highlights

Imports totaled 1,107.6 Bcf and exports totaled 324.1 Bcf, resulting in net imports of 783.5 Bcf. As usual, most of the imports came from Canada, comprising nearly 93 percent of the total. Imports from Mexico made up less than one-quarter of one percent, and LNG imports made up the remaining 7 percent of the total. As illustrated in the following tables, imports were up slightly compared to last quarter even though LNG and Mexican imports decreased.

Exports were up nearly 29 percent compared to last quarter and up almost 60 percent compared to the first quarter 2007. The increase was due to a growth in exports to Canada and Mexico, offsetting a decrease in LNG exports. As with the imports, the majority of exports went to Canada, making up over 61 percent of the total. Exports to Mexico comprised over 35 percent and LNG exports comprised less than 3 percent of the total.

LNG imports were low again this quarter, decreasing by over four percent compared to last quarter and by nearly 59 percent as compared to the first quarter 2007. As with last quarter, only 30 cargoes of LNG were imported. Most of this reduction from a year ago is due to the high demand for LNG in Europe and Asia, especially in the winter months. LNG import prices were up compared to last quarter and the first quarter 2007. LNG exports were down over 15 percent compared to last quarter and by nearly 35 percent as compared to the first quarter 2007.

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). We welcome questions or comments about this Report. They should be directed to Yvonne Caudillo at (202) 586-4587 or by E-mail at yvonne.caudillo@hq.doe.gov.