

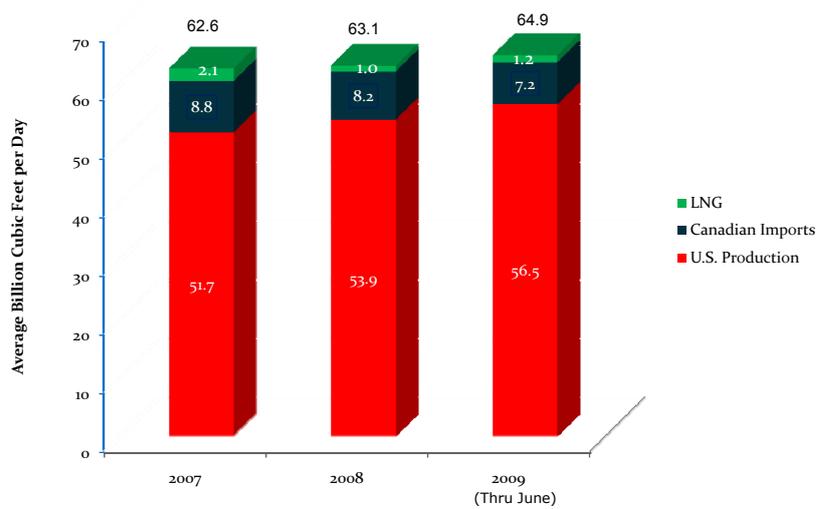
# Outlook for the U.S. Domestic Natural Gas Industry and its Role in a Global Economy



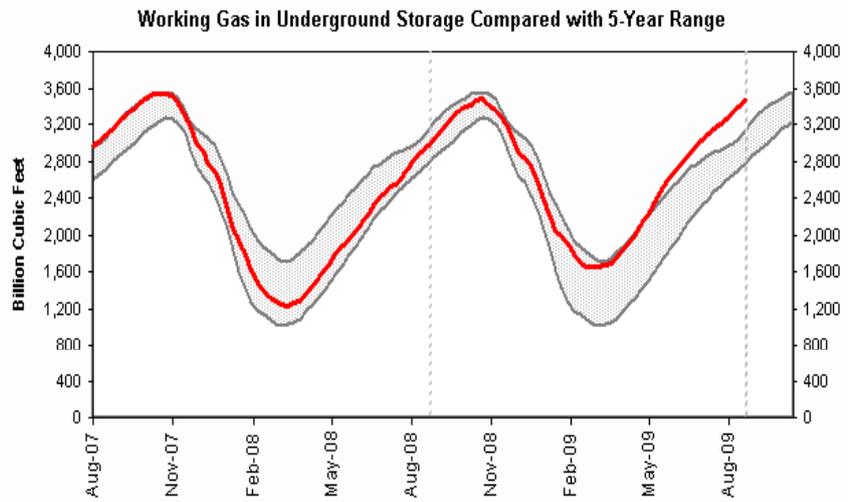
*Thomas Skains*  
*Chairman, The American Gas Association*  
*Chairman, President and CEO*  
*Piedmont Natural Gas Company, Inc.*

The 24<sup>th</sup> World Gas Conference  
 Buenos Aires, Argentina  
 October 5 – 9, 2009

## U.S. NATURAL GAS SUPPLY (2007 - 2009)



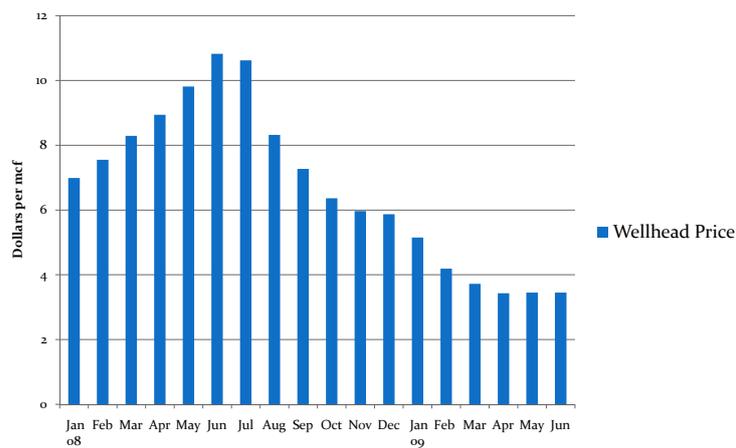
## U.S. WORKING GAS IN STORAGE COMPARED TO 5-YR AVERAGE



Source: Energy Information Administration.

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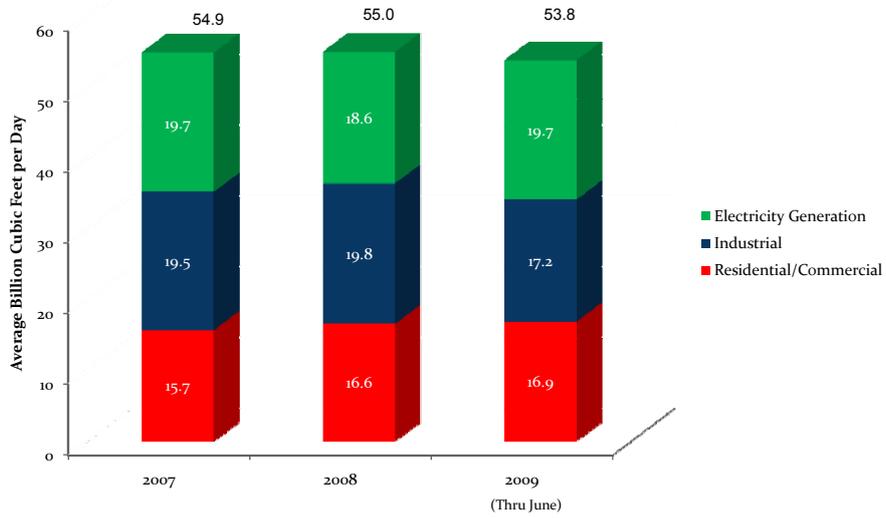
## AVERAGE U.S. WELLHEAD NATURAL GAS PRICES



Source: Energy Information Administration.

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## U.S. NATURAL GAS DEMAND (2007 – 2009)

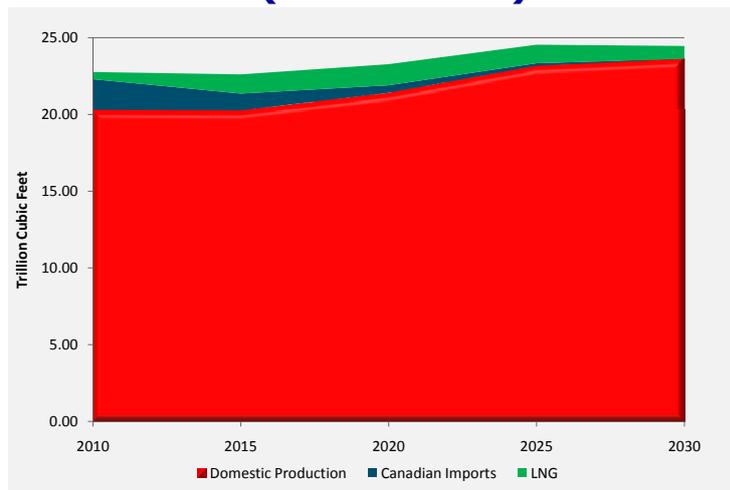


AGA  
American Gas Association

Source: Bentek Energy LLC, *Energy Market Fundamentals*.

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## FUTURE U.S. NATURAL GAS SUPPLY (2010-2030)

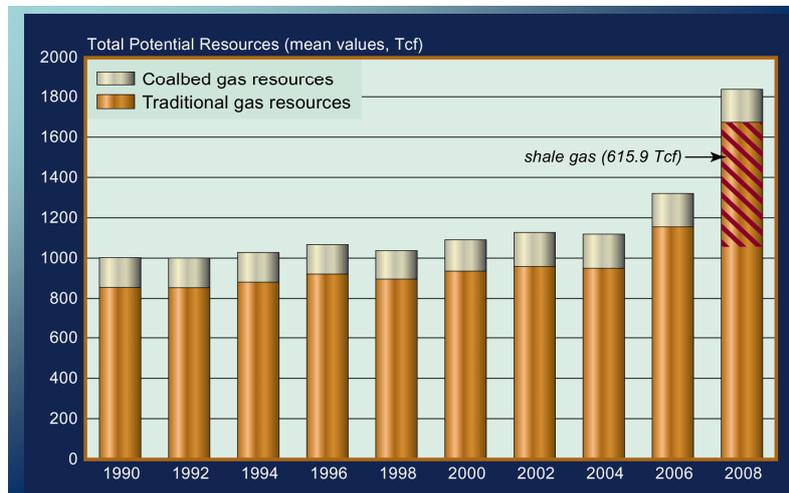


AGA  
American Gas Association

Source: Energy Information Administration, *Annual Energy Outlook 2009-2030*.

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## Potential Gas Committee Resource Assessments (1990-2008)



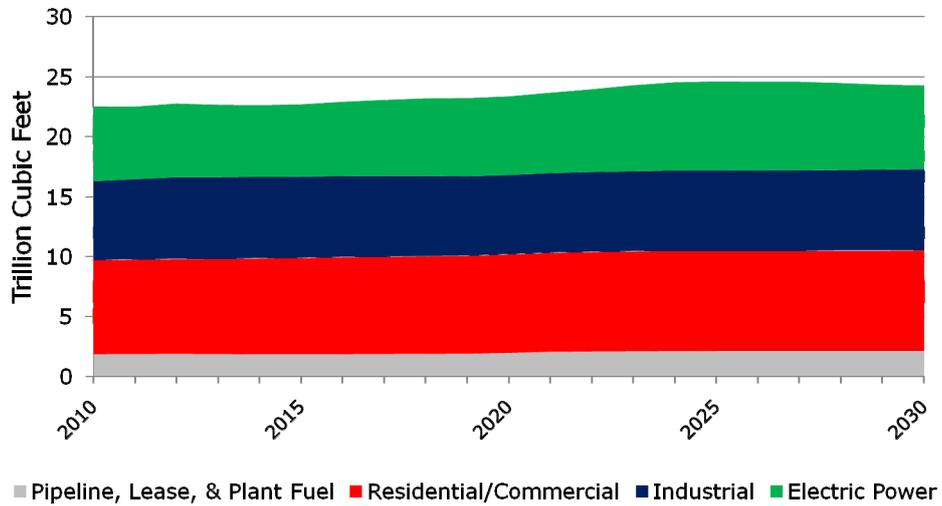
6

## Diversity of U.S. Supply

- More Deepwater Offshore gas
- More gas from Intermountain West
- Growing amounts of biogas
- Alaskan gas pipeline to the lower 48 by 2020

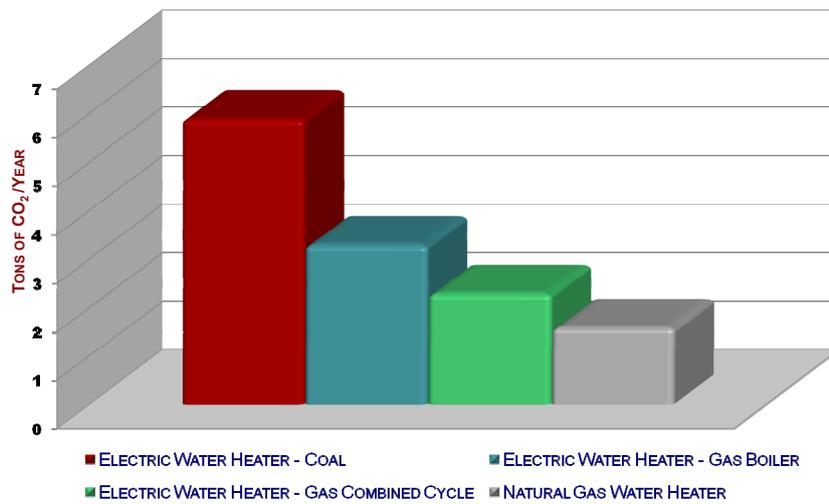
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## FUTURE U.S. NATURAL GAS DEMAND (2010-2030)



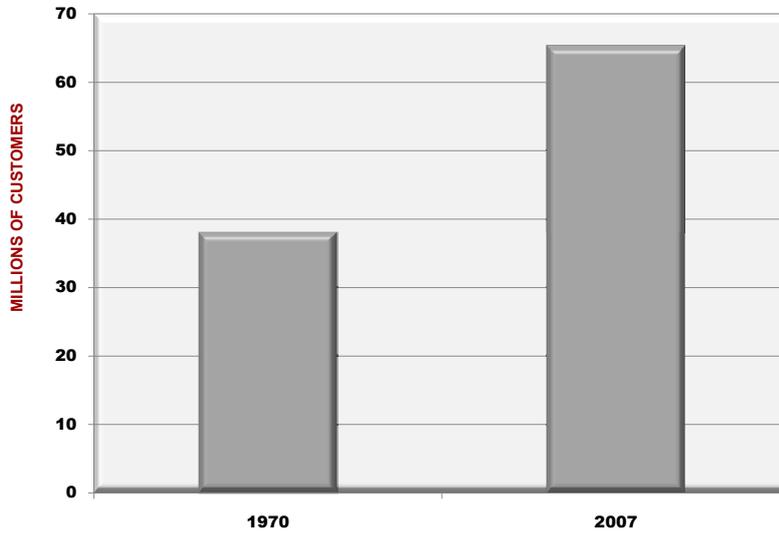
Source: Energy Information Administration, *Annual Energy Outlook 2009-2030*.

## Direct Natural Gas Use Reduces Greenhouse Gas Emissions



9

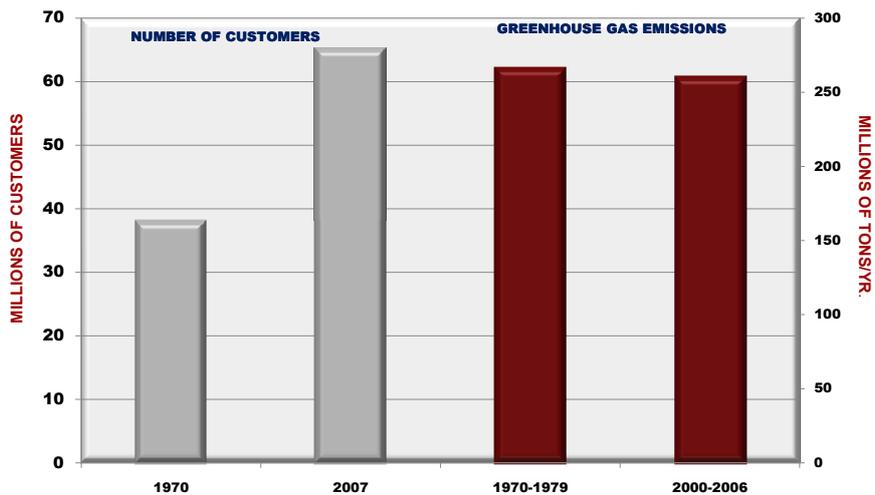
### Number Of U.S. Natural Gas Customers (1970 - 2007)



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### Residential Natural Gas Customers Are Growing, But Their Greenhouse Gas Emissions Have Declined

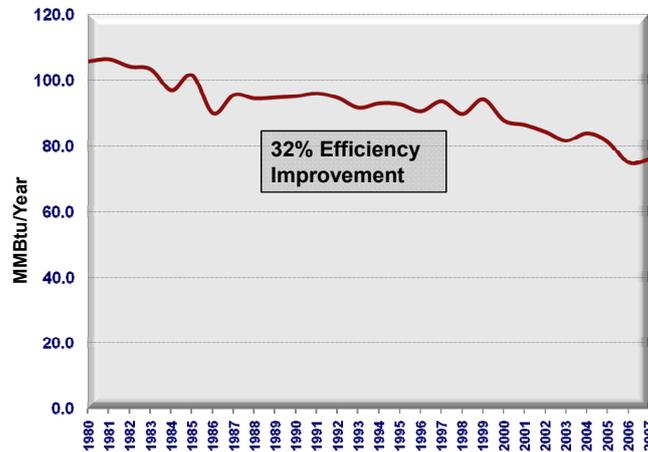


AGA  
American Gas Association

Source: U.S. Environmental Protection Agency, U.S. Energy Information Administration and American Gas Association.

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## CONSUMPTION PER RESIDENTIAL NATURAL GAS CUSTOMER



Source: U.S. Energy Information Administration and American Gas Association.  
NOTE: Data is "weather normalized" or adjusted to reduce the impact of abnormally warm or cold weather.

## A New Regulatory Construct for Natural Gas Utilities

- Old construct bases return on volume of gas delivered to the customer, promoting increased use.
- New construct separates — "decouples" — return from volume, thereby aligning the interest of utilities and customers with conservation and increased energy efficiency.

## STATES WITH NON-VOLUMETRIC RATE DESIGNS FOR NATURAL GAS AS OF JULY 2009

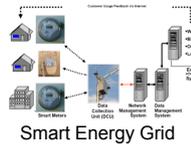


## U.S. Energy/Environmental Legislation

- Energy Efficiency
- Greenhouse Gas Emissions
- Cap-and-Trade
- Energy Security
- Technology Development



# Natural Gas Technologies for Homes



Real-time Energy Monitor



NGV Filling Station

Solar Thermal Panel Venting Innovations



Gas Heat Pump



Tankless/Solar Hybrid Water Heater



Radiant Tubing

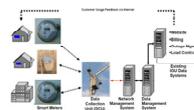


MicroCHP



# Natural Gas Technologies for Businesses

Smart Energy Grid



High Efficiency Boilers



Humidity Control

Solar Thermal Panel Radiant Heating



Solar Hybrid Water Heating



NGV Filling Station

CHP Systems



Waste Heat Chiller/Heater



Commercial Food Service



## Joining The Global Natural Gas industry

Regulatory Innovation to Encourage Conservation and Efficiency

Emphasis on New Technologies to Increase Energy Efficiency and Reduce GHG

Integrate U.S. Energy Strategies with Global Energy Strategies

Our Challenges are now Global, but so are Our Solutions

## Outlook for the U.S. Domestic Natural Gas Industry and its Role in a Global Economy

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