

LONG-TERM OUTLOOK FOR U.S. ENERGY MARKETS

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**Center for Strategic & International Studies
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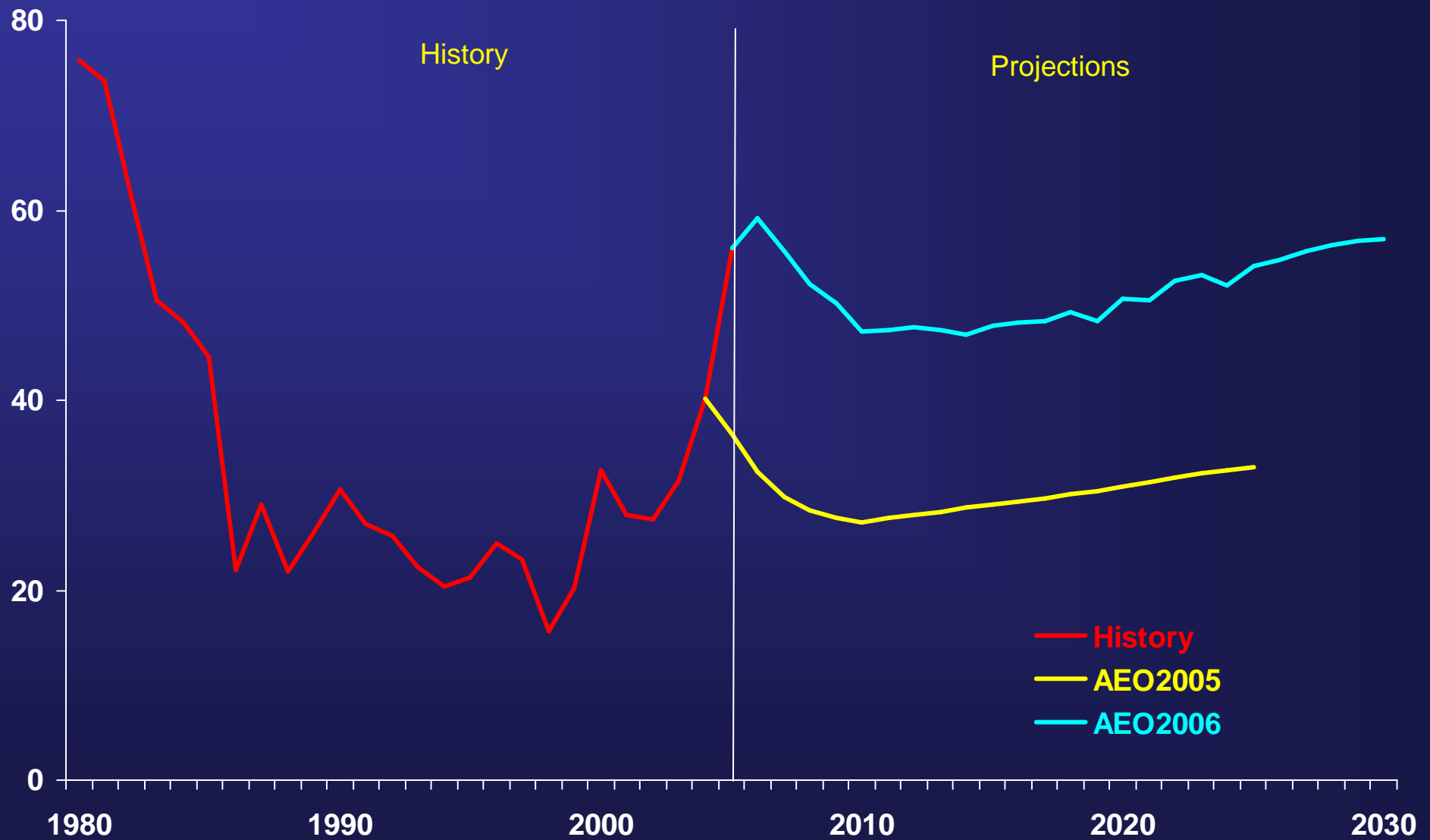
Energy Issues to Consider....

- Is the current level of world crude oil prices sustainable?
- Can unconventional liquids make a meaningful contribution to supply?
- What are the implications of higher world oil prices for net petroleum imports?
- How large of a contribution will LNG make to meeting energy requirements?
- Will coal continue to play a dominant role in U.S. electricity generation?

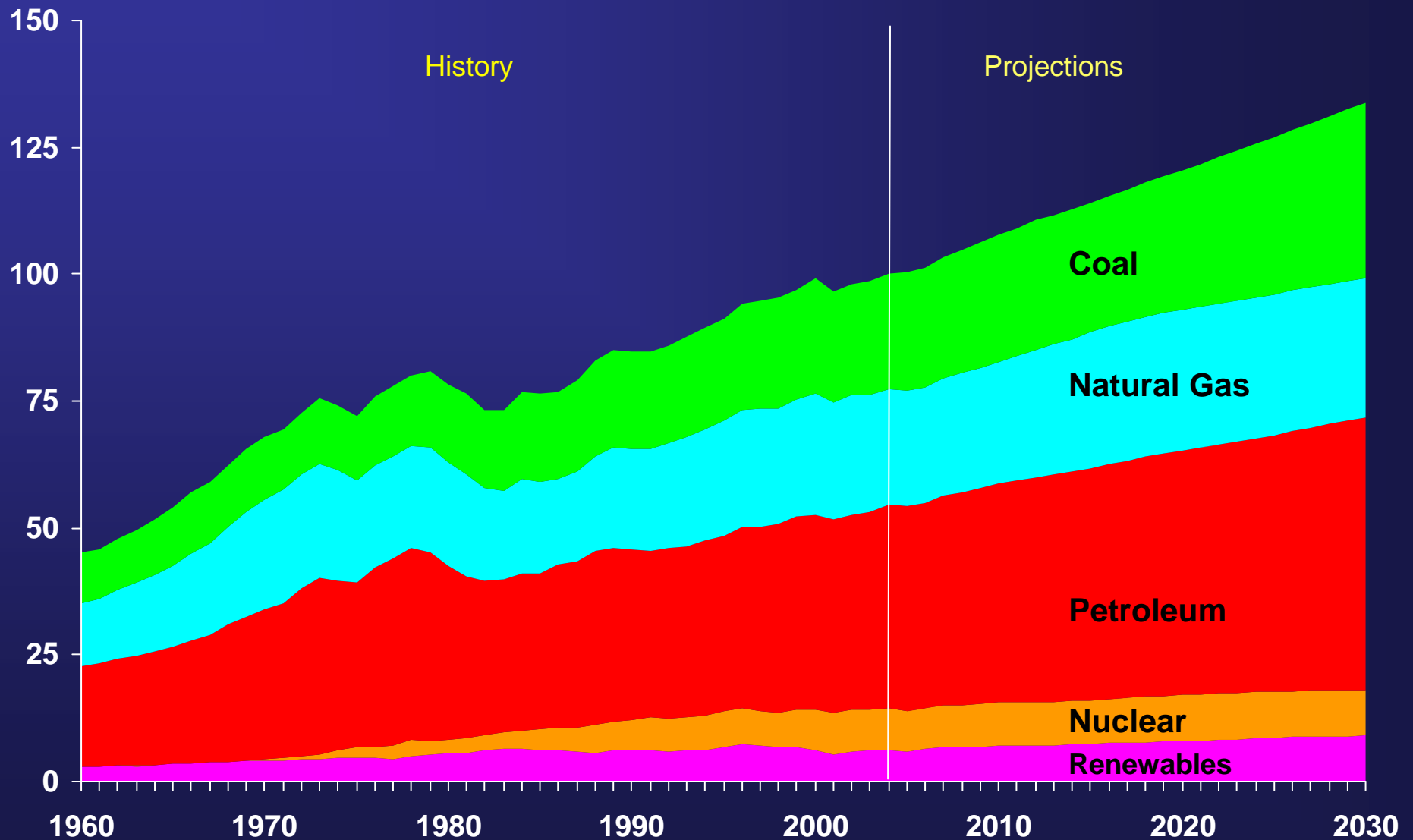
EIA Has Reassessed Its Long-Term Oil Price Projection

- Major oil producing countries pace investment more consistent with higher oil price path
- Investment impediments more persistent, even after several years of relatively high oil prices
- Cost of doing business increasing
- Not due to “Peak Oil” considerations, although we are following this issue closely

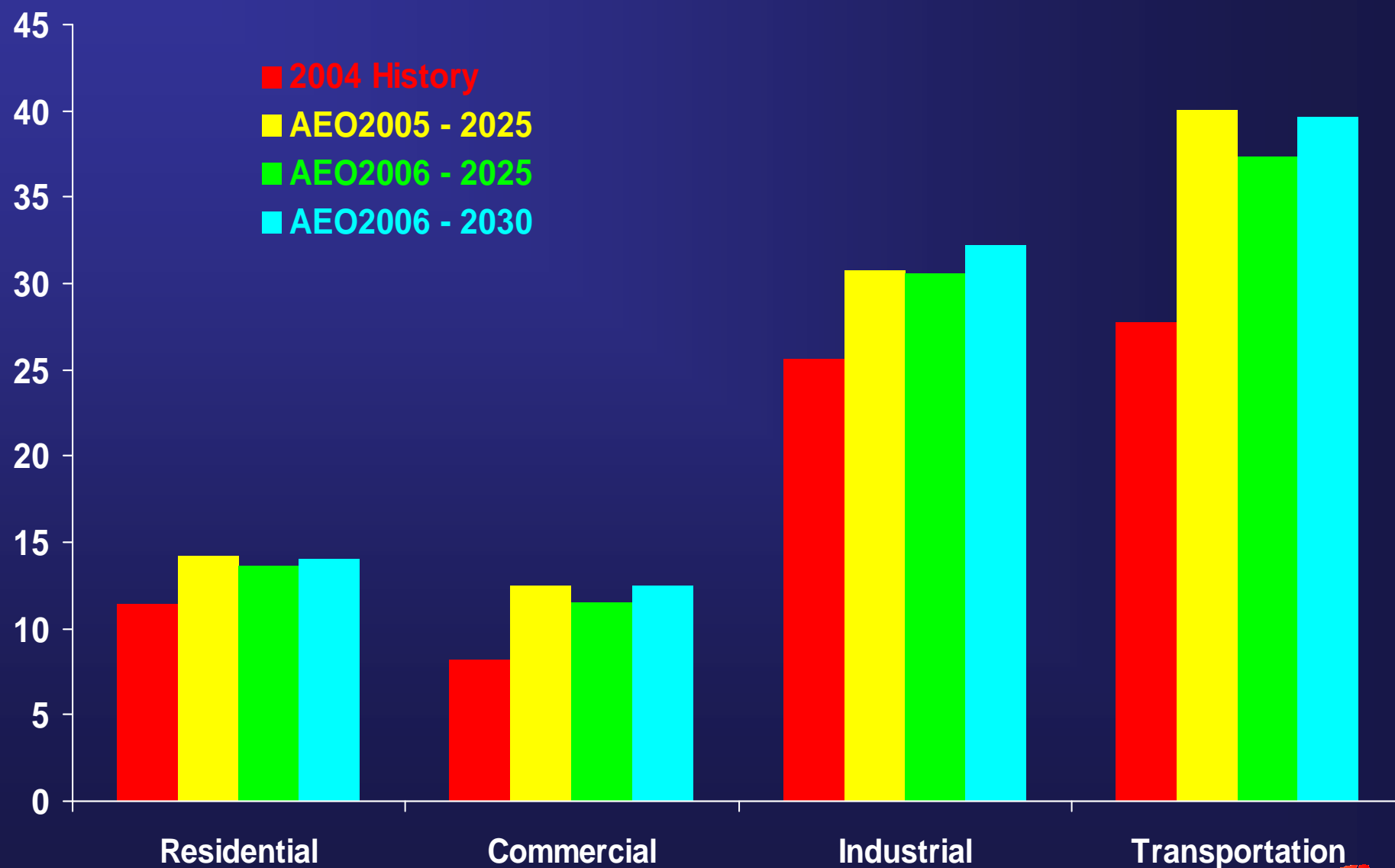
World Oil Price, 1980-2030 (2004 dollars per barrel)



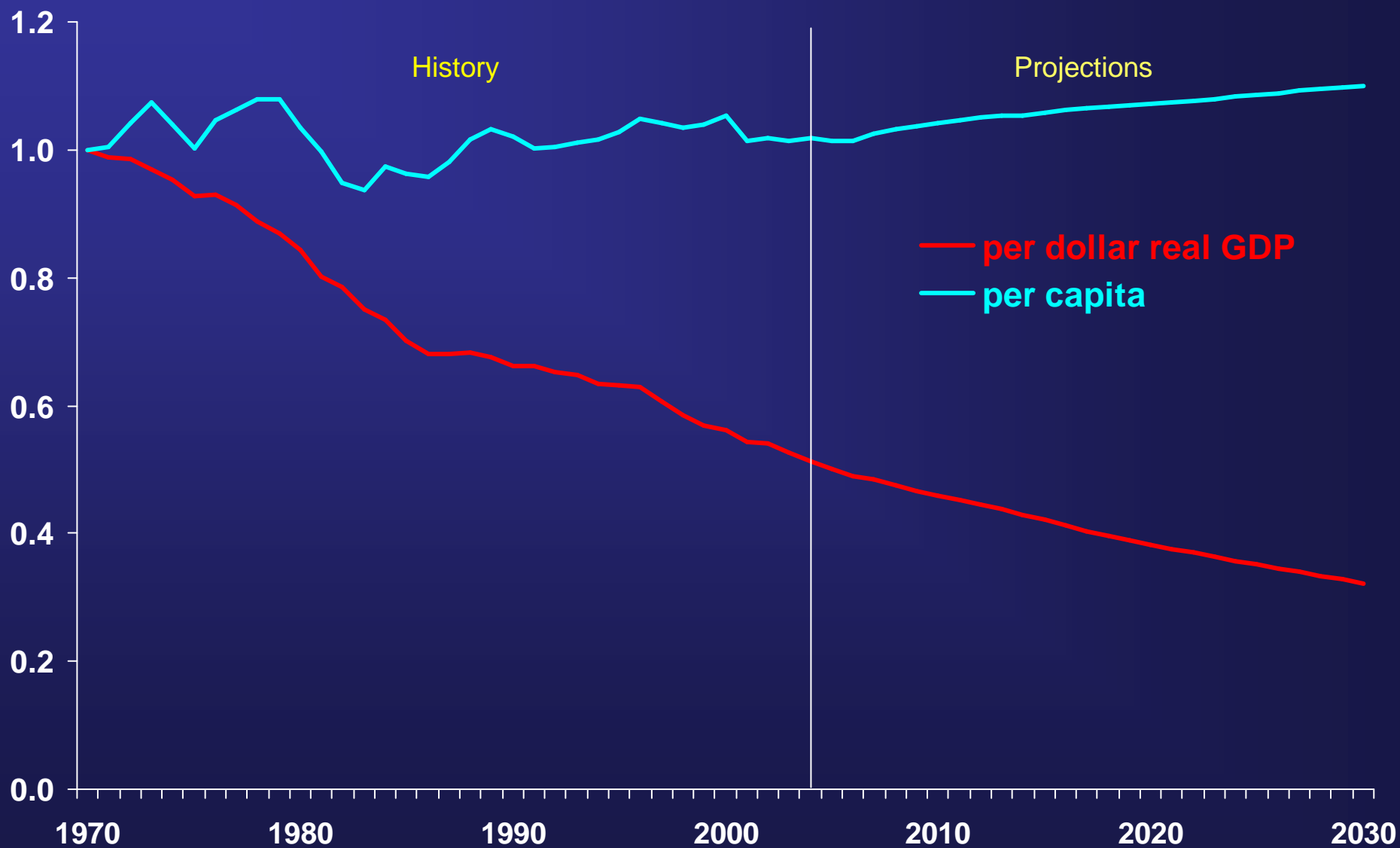
U.S. Primary Energy Consumption by Fuel, 1960-2030 (quadrillion Btu)



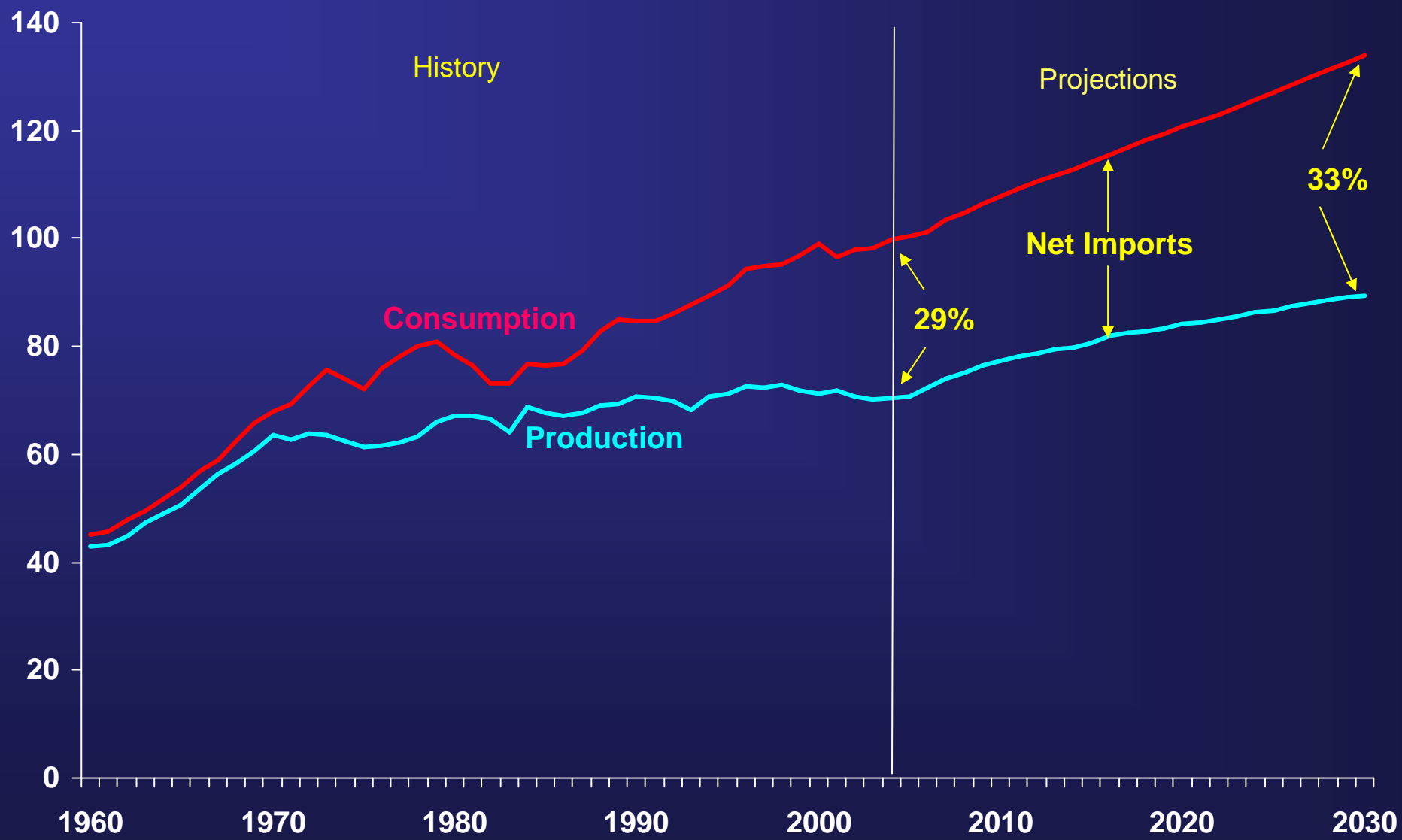
U.S. Delivered Energy Consumption by Sector, 2004, 2025, and 2030 (quadrillion Btu)



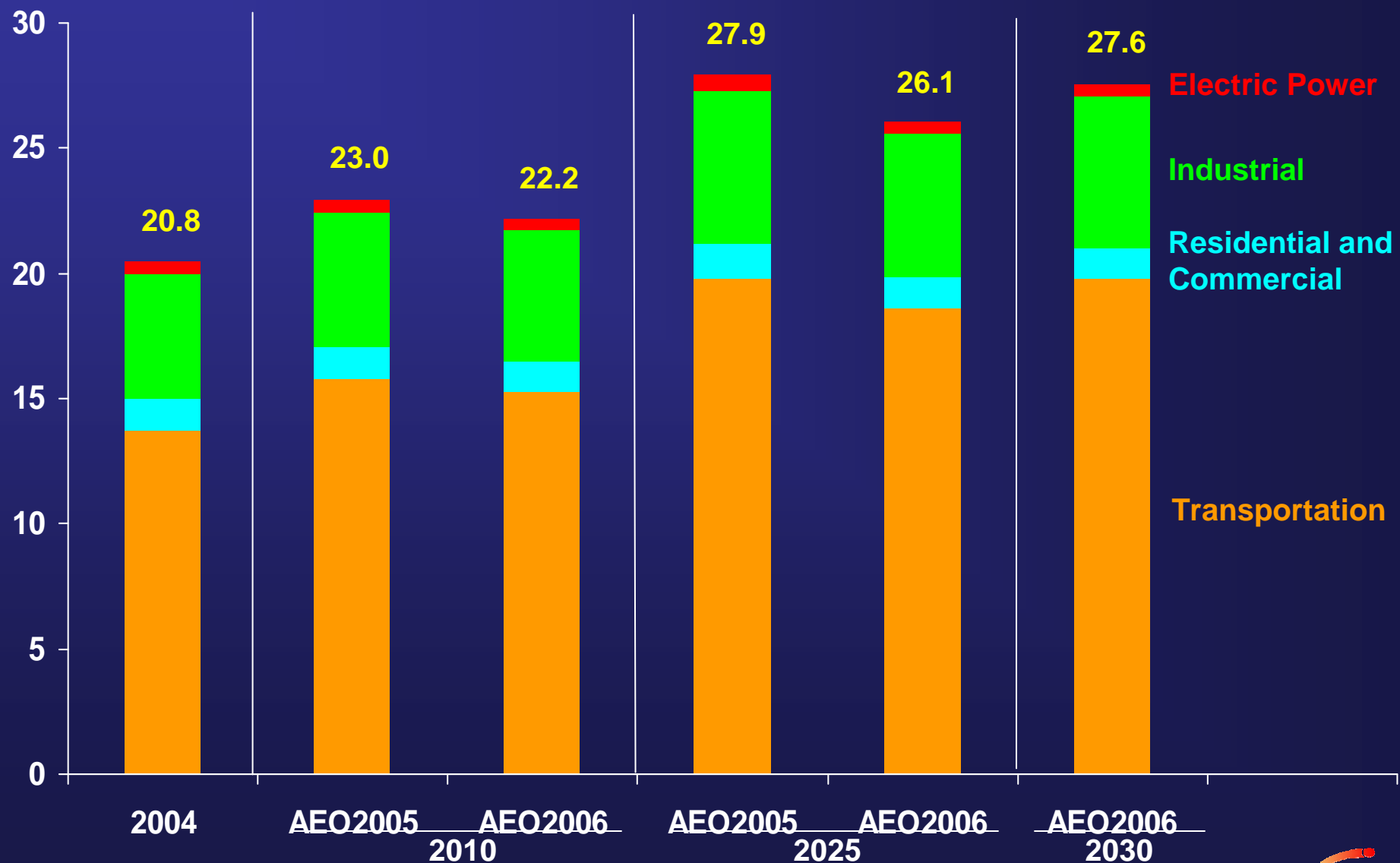
U.S. Energy Use per Capita and per Dollar of Real Gross Domestic Product, 1970-2030 (index, 1970 = 1)



U.S. Energy Production, Consumption, and Net Imports, 1960-2030 (quadrillion Btu)



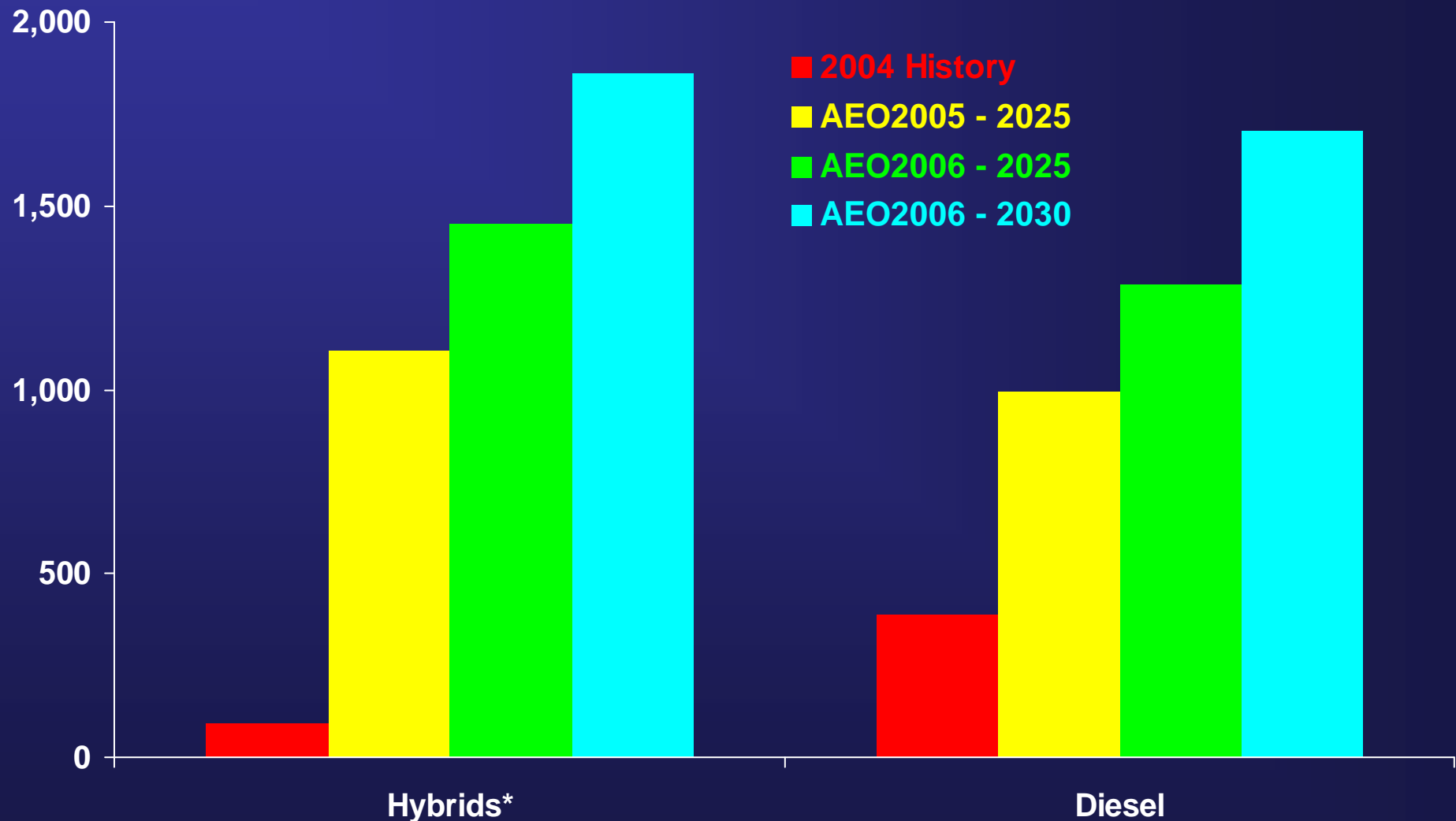
U.S. Petroleum Consumption by Sector, 2004, 2010, 2025, and 2030 (millions of barrels per day)



Annual Energy Outlook 2005 and 2006

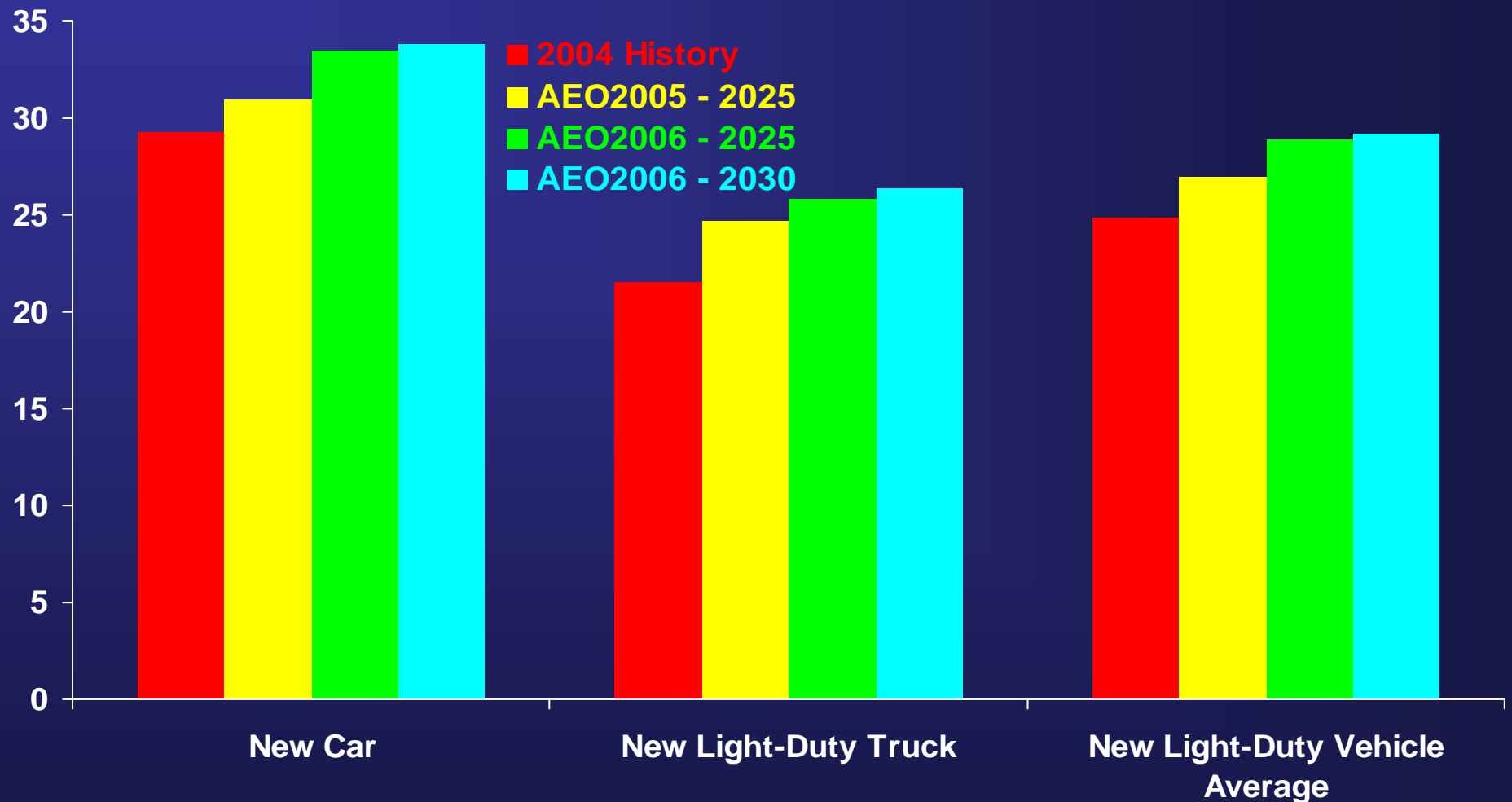


U.S. Sales of Full Hybrid and Diesel Vehicles, 2004, 2025, and 2030 (thousand units)



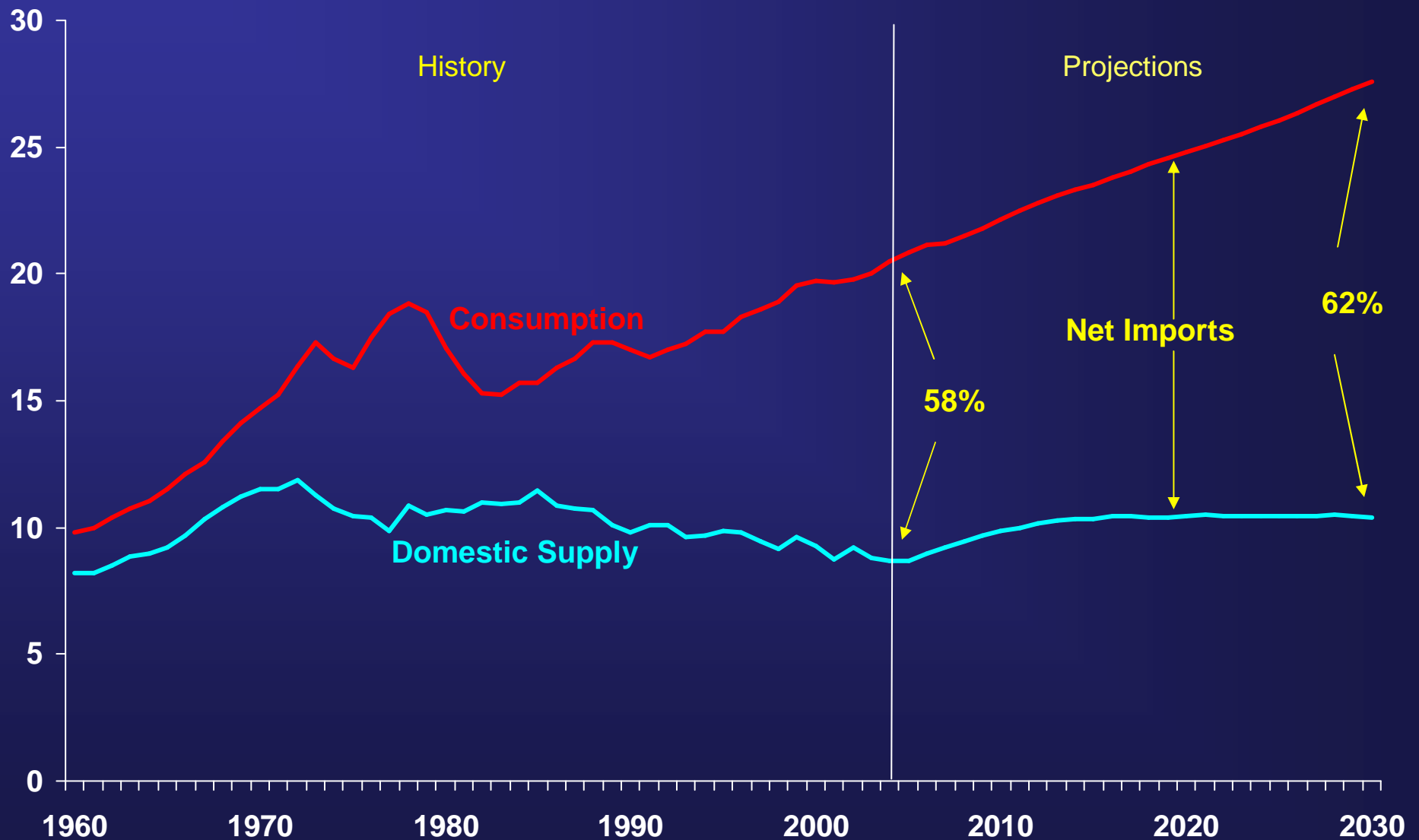
*Only includes hybrids that provide tractive power to the vehicle.

U.S. New Light-Duty Vehicle Efficiency, 2004, 2025, and 2030 (miles per gallon)

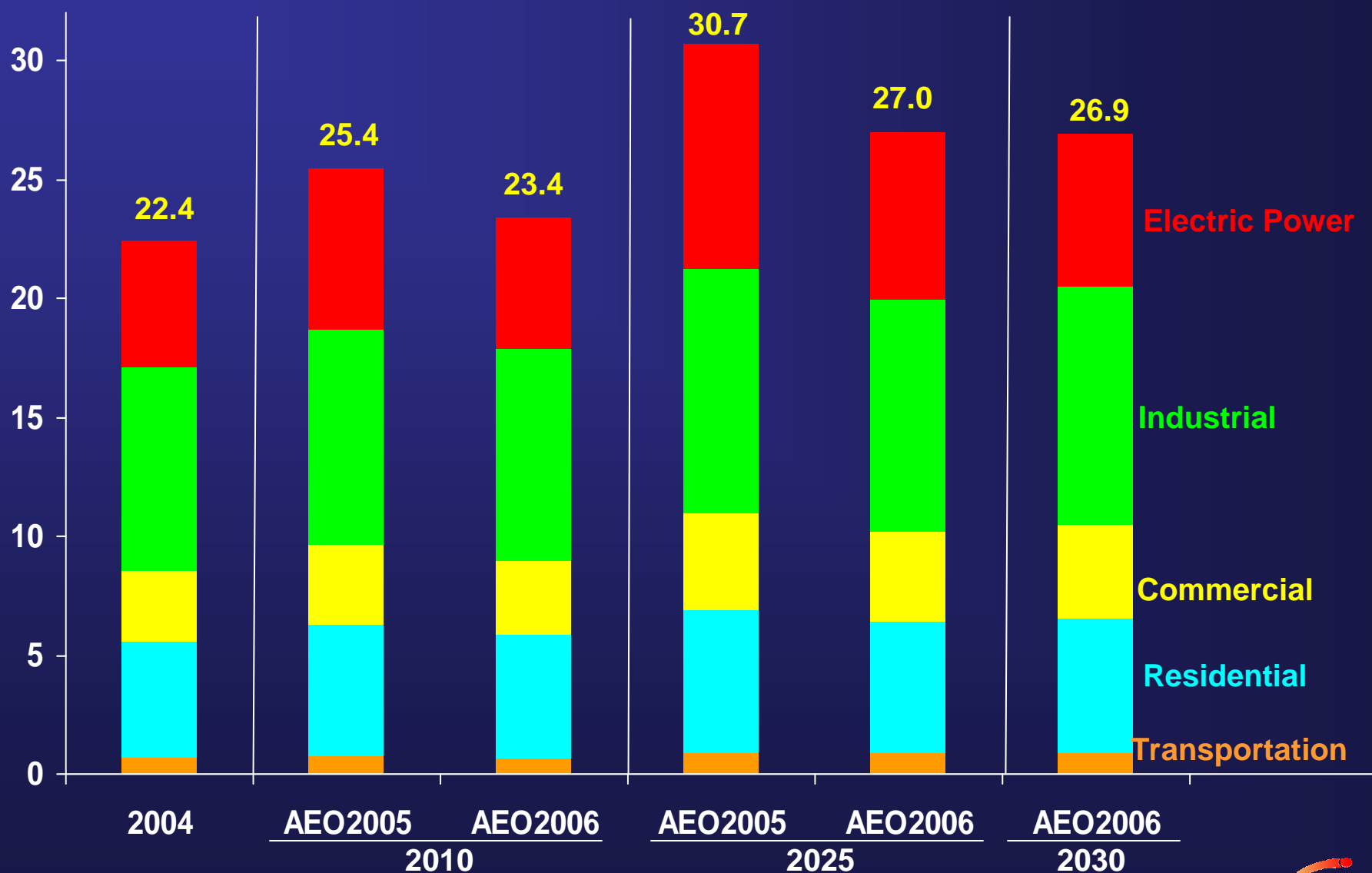


Note: Does not include impact of proposed increase in fuel economy standards based on vehicle footprint for light trucks.

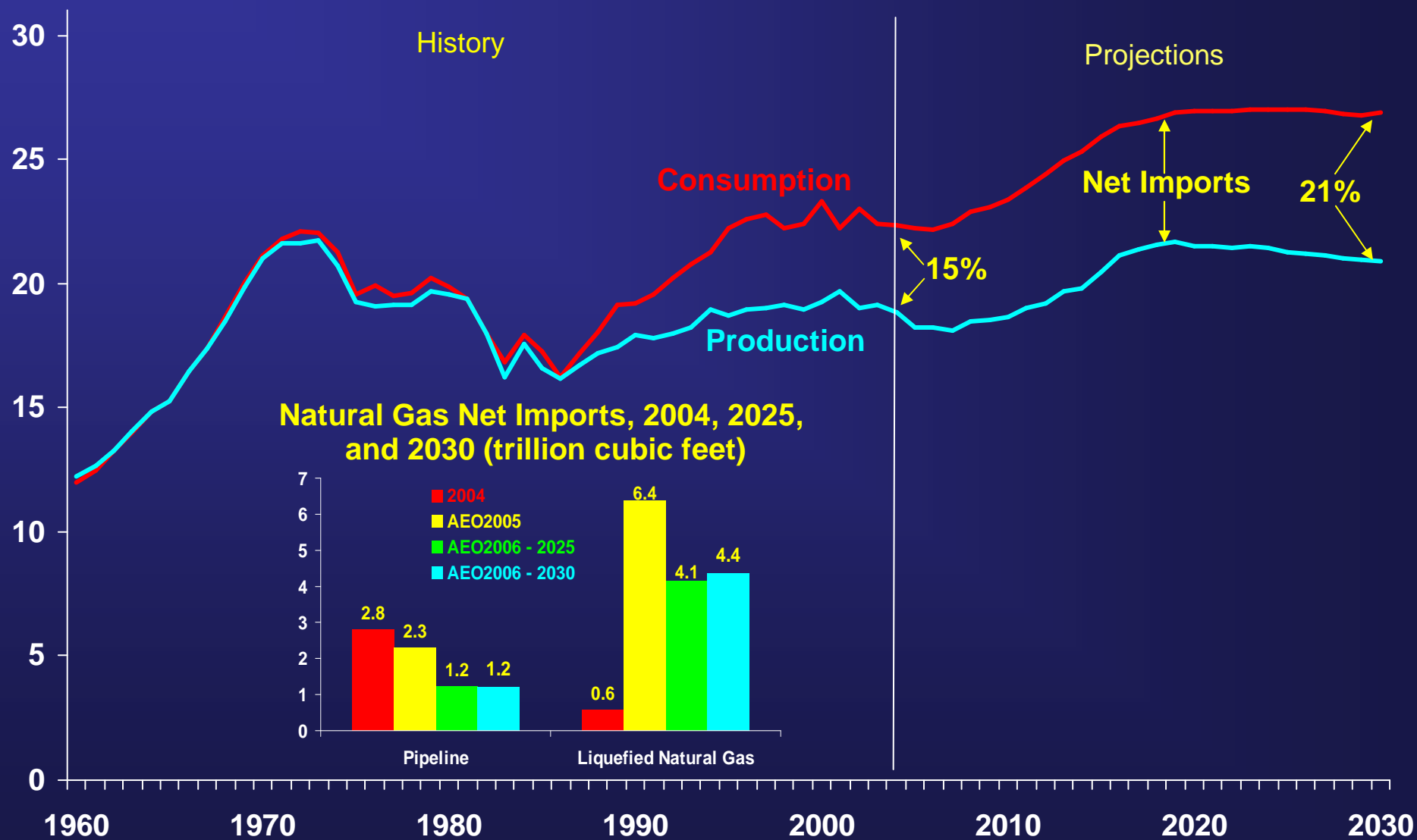
U.S. Petroleum Supply, Consumption, and Net Imports, 1960-2030 (million barrels per day)



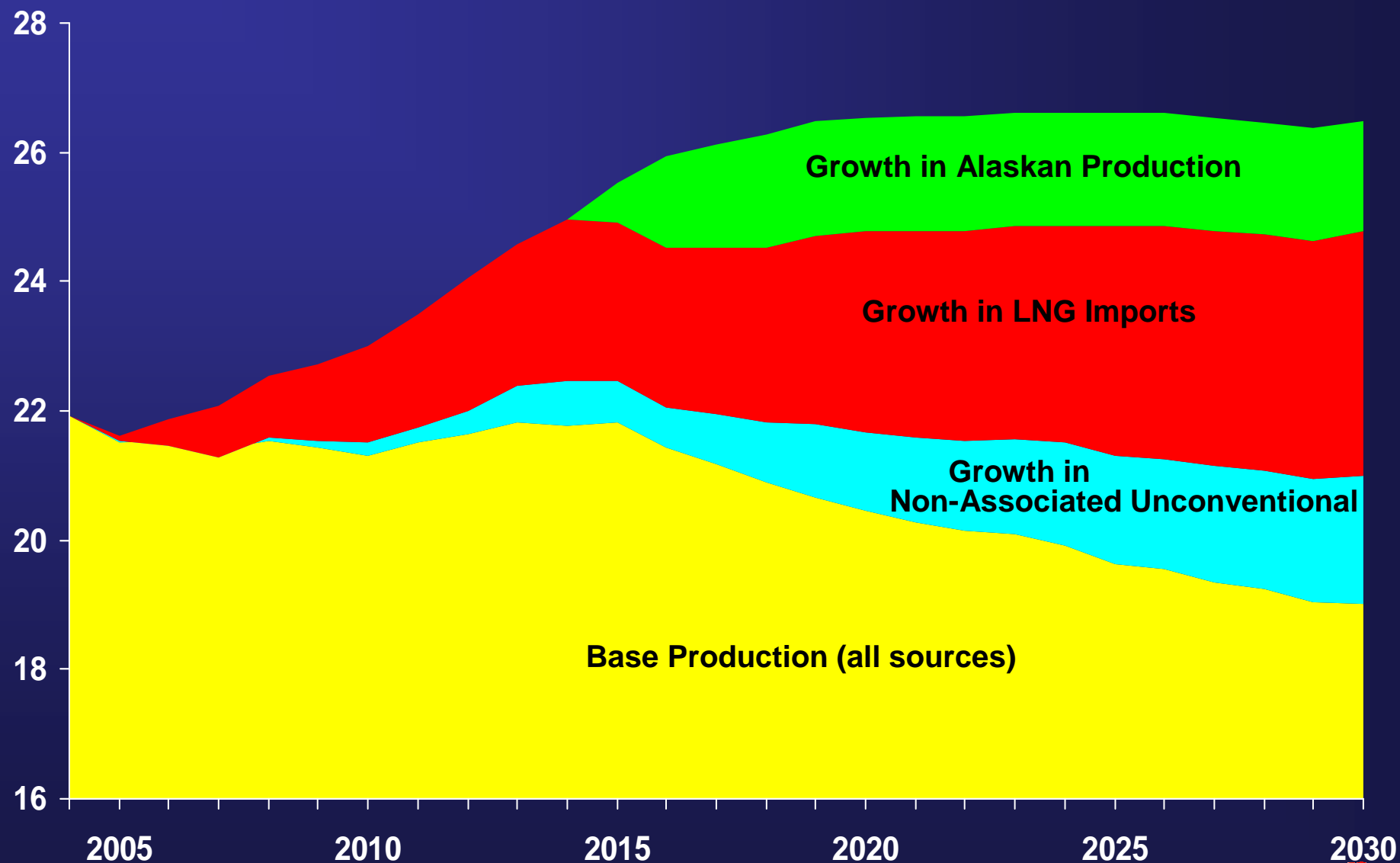
U.S. Natural Gas Consumption by Sector, 2004, 2010, 2025, and 2030 (trillion cubic feet)



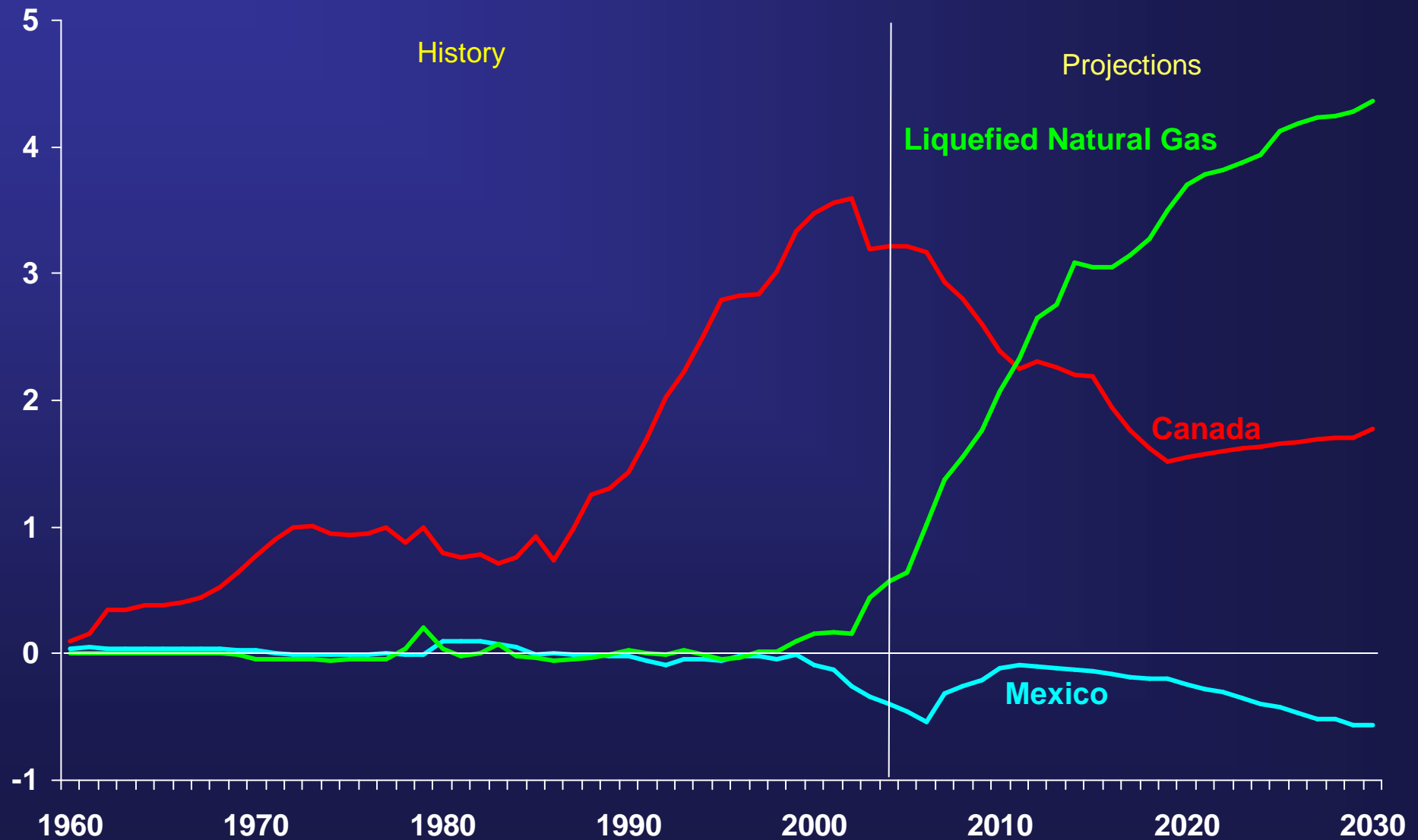
U.S. Natural Gas Production, Consumption, and Net Imports, 1960-2030 (trillion cubic feet)



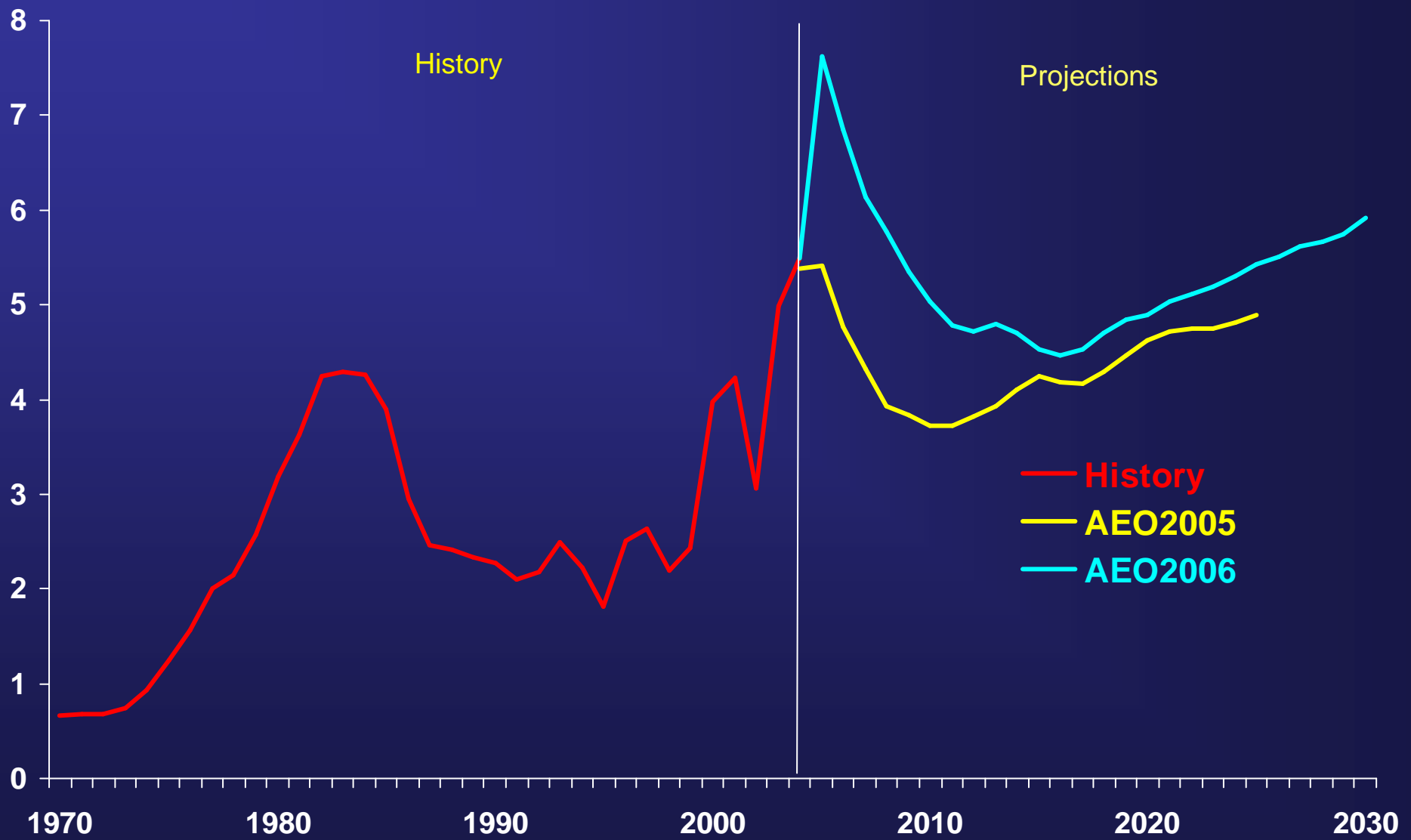
Major Sources of Incremental U.S. Natural Gas Supply, 2004-2030 (trillion cubic feet)



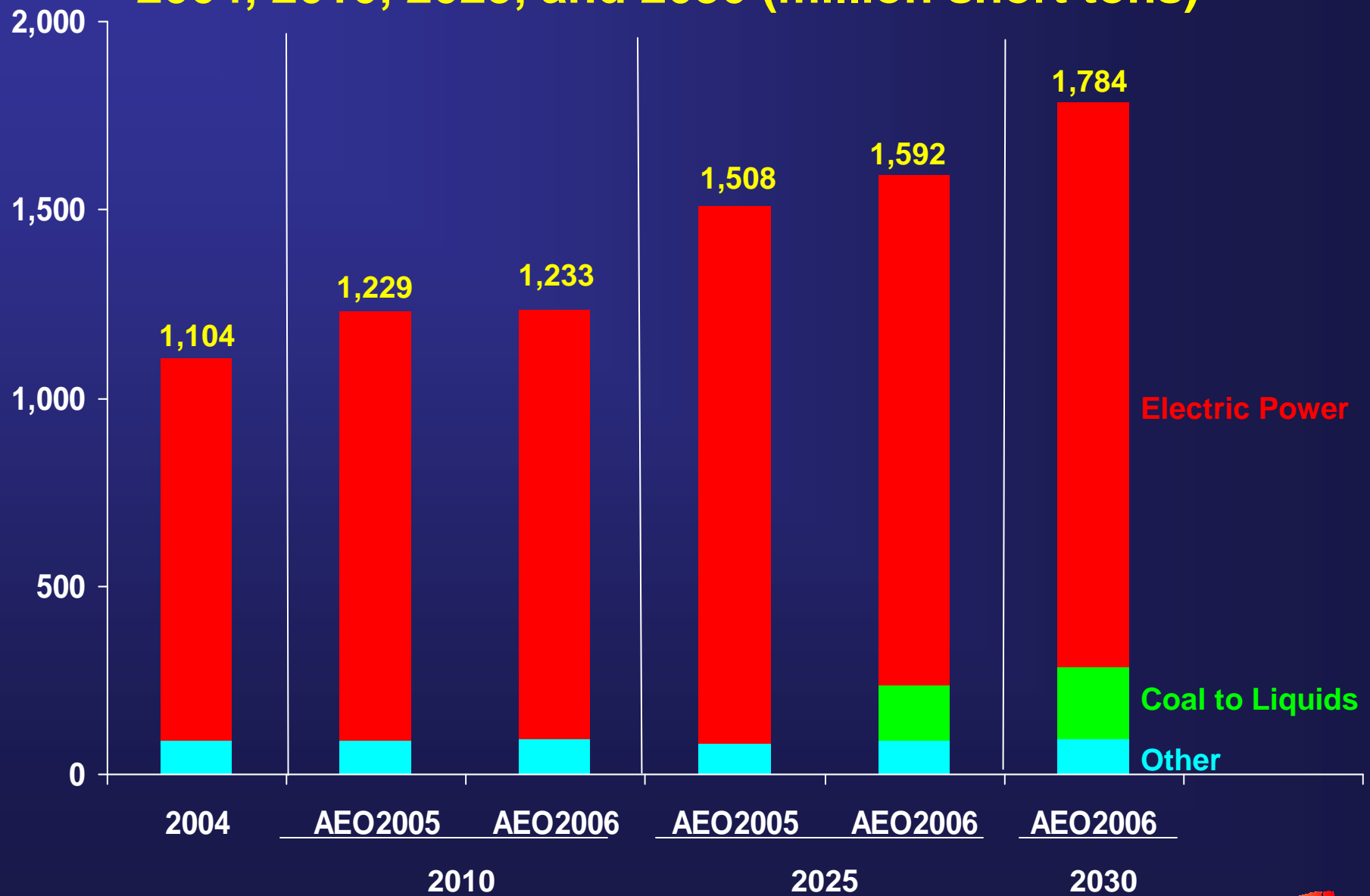
U.S. Net Imports of Natural Gas, 1960-2030 (trillion cubic feet)



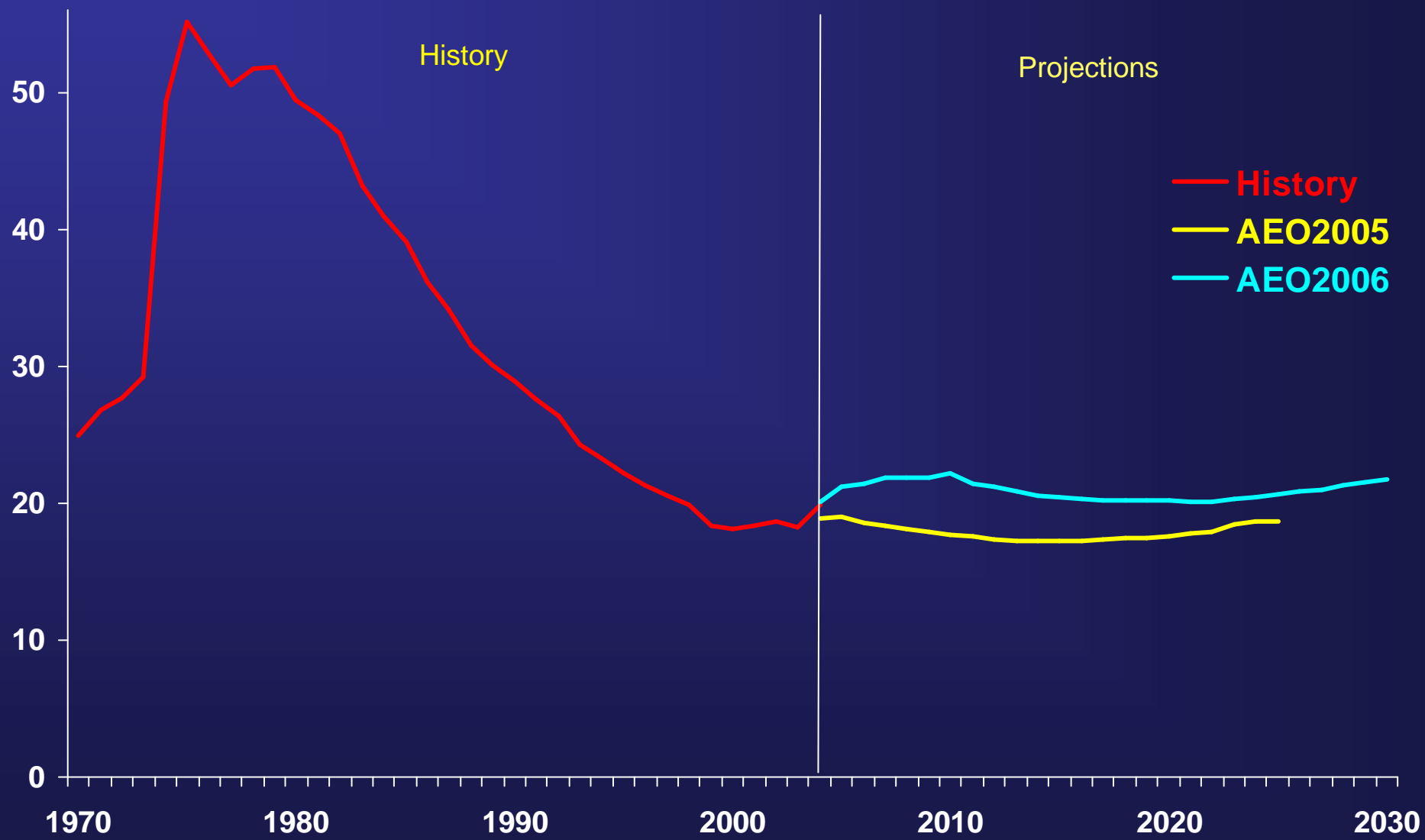
U.S. Natural Gas Wellhead Price, 1970-2030 (2004 dollars per thousand cubic feet)



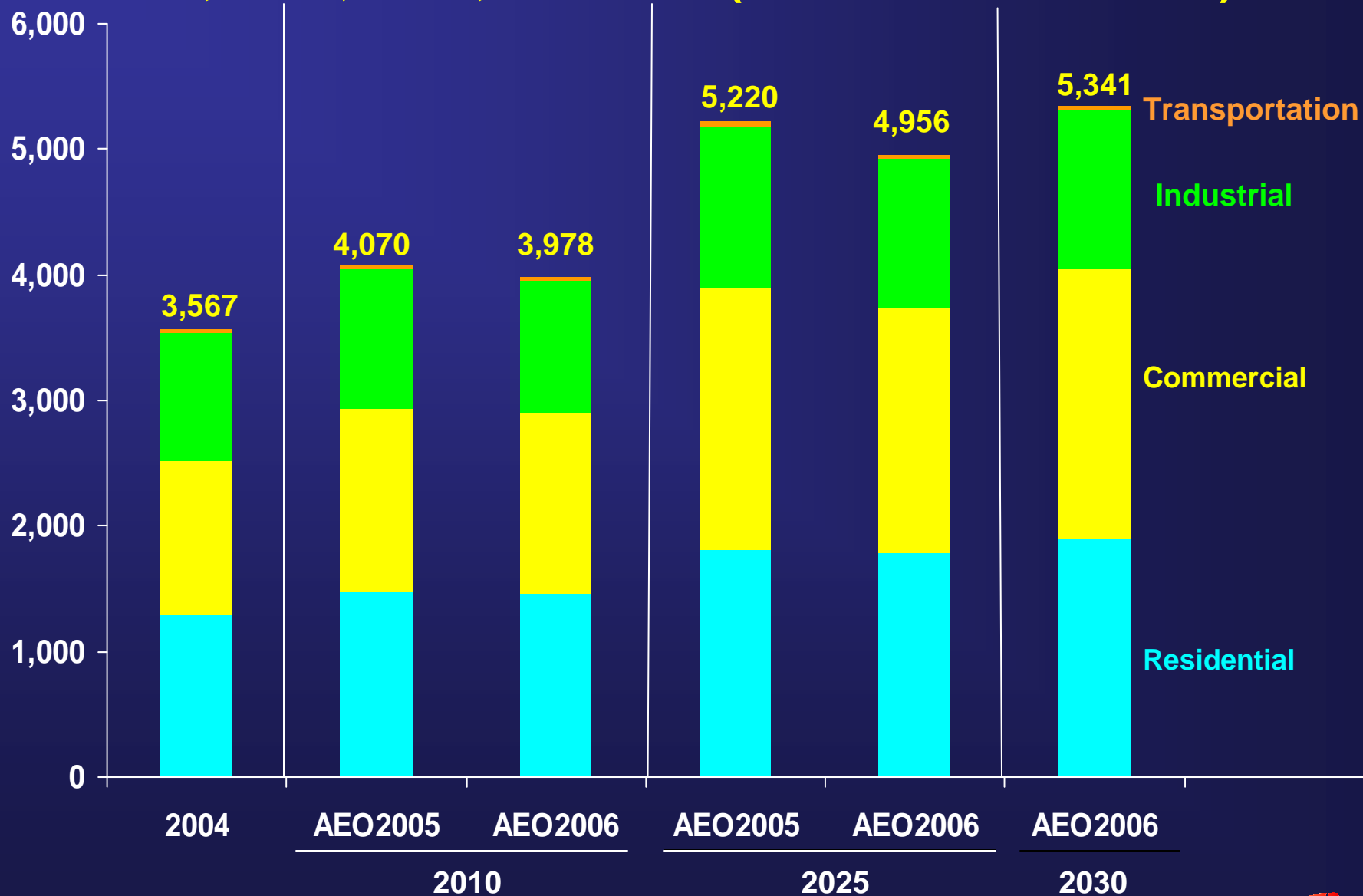
U.S. Coal Consumption by Sector, 2004, 2010, 2025, and 2030 (million short tons)



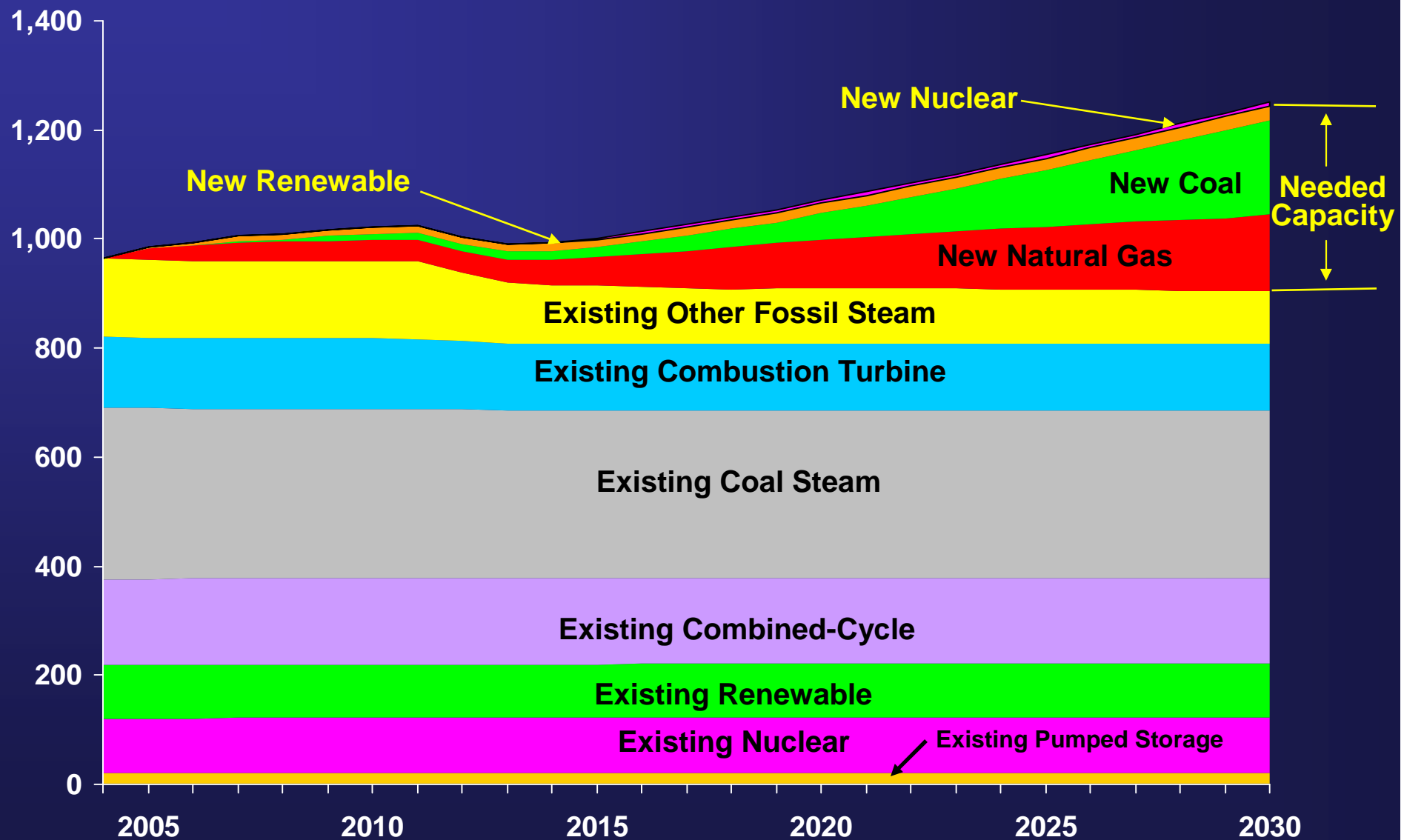
U.S. Coal Minemouth Price, 1970-2030 (2004 dollars per ton)



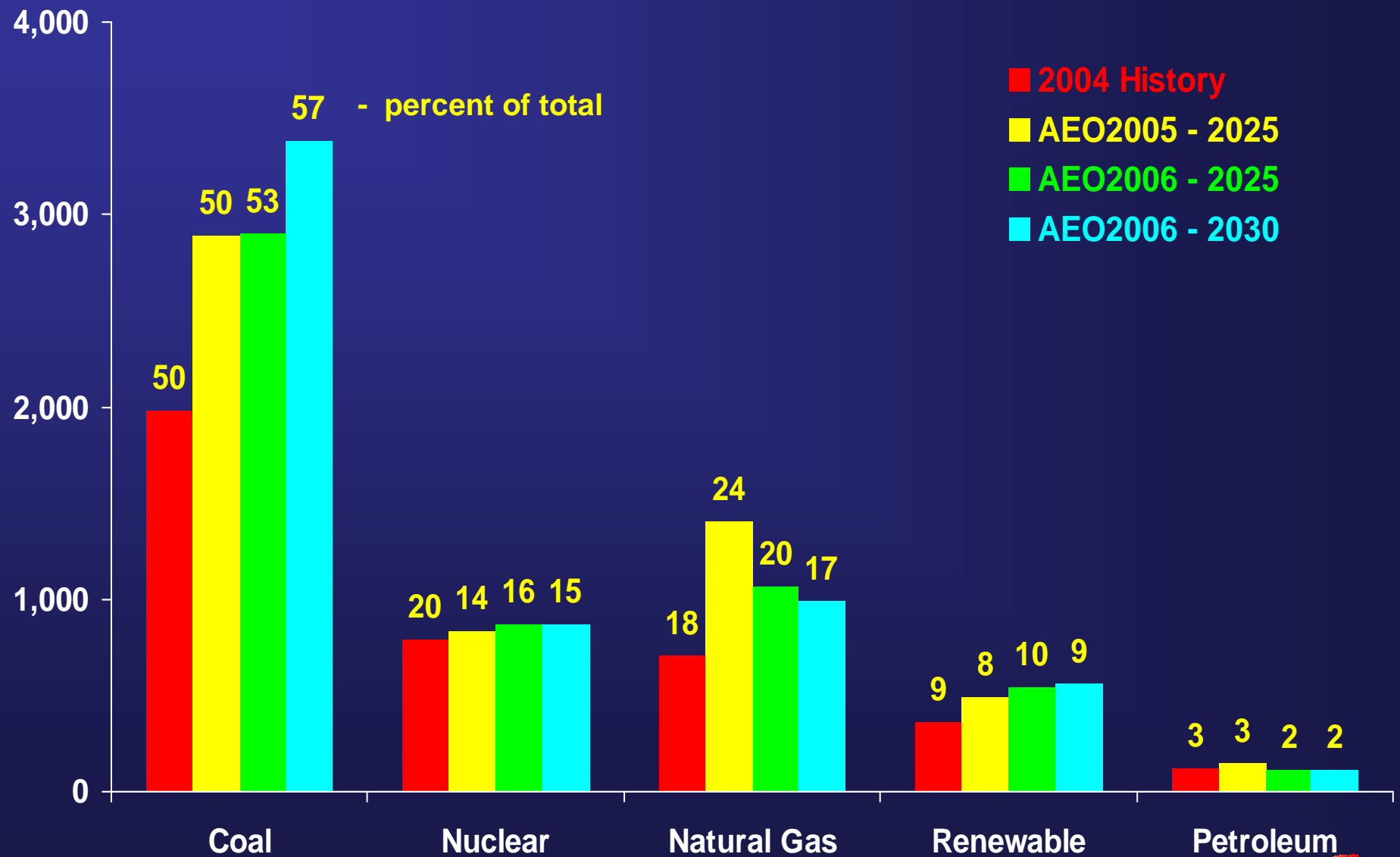
U.S. Electricity Sales by Sector, 2004, 2010, 2025, and 2030 (billion kilowatthours)



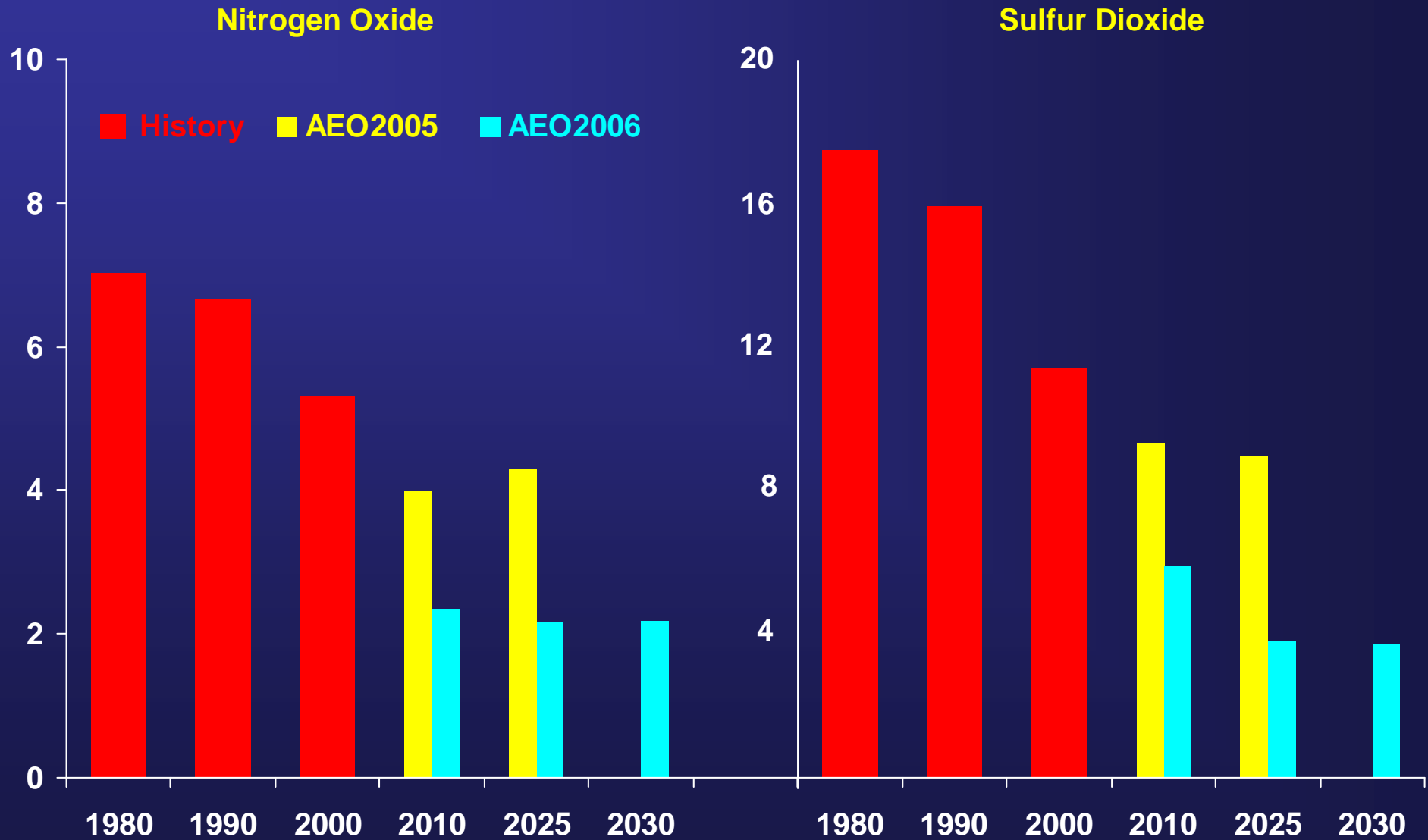
U.S. Electricity Generating Capacity, including Combined Heat and Power, 2004-2030 (gigawatts)



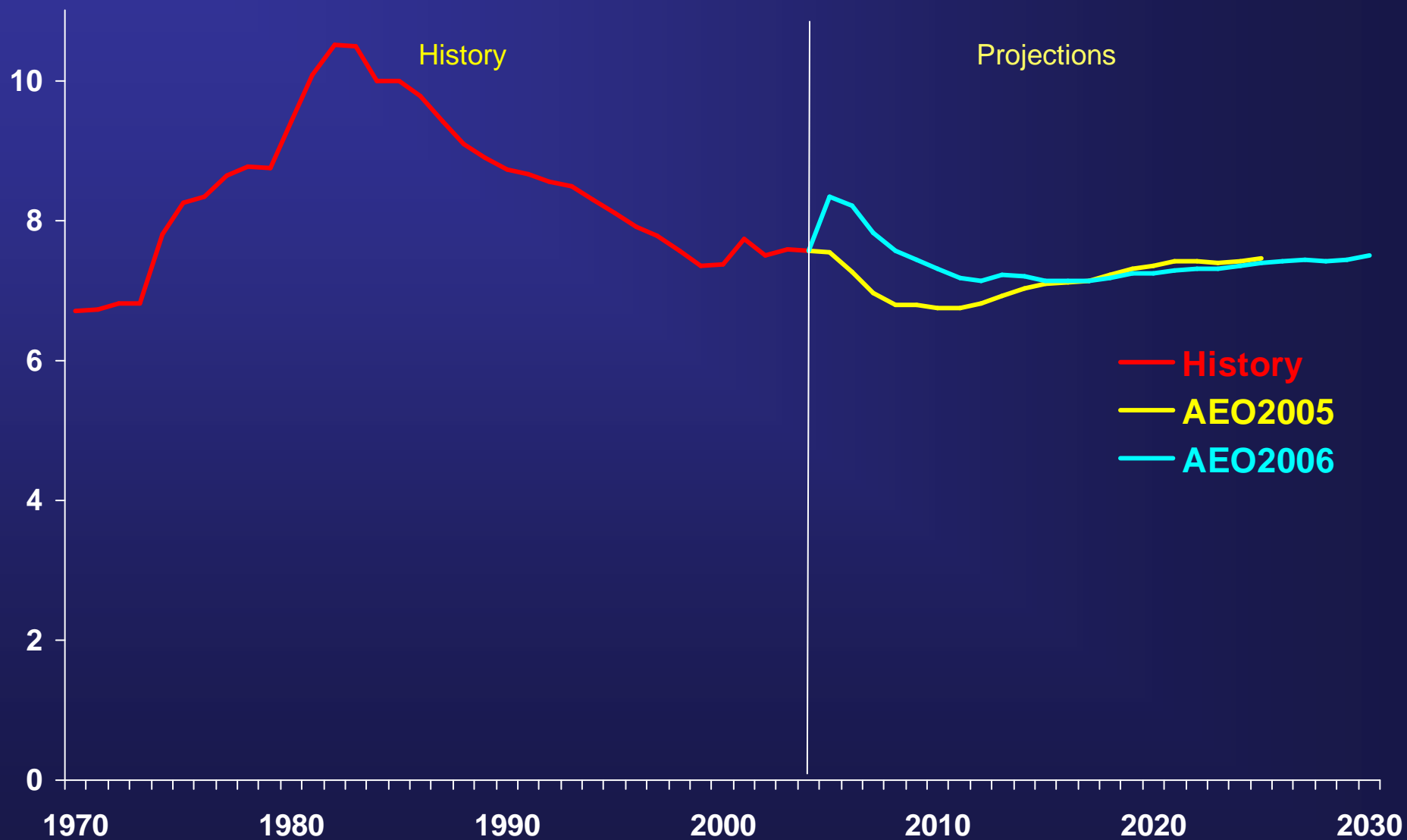
U.S. Electricity Generation by Fuel, 2004, 2025, and 2030 (billion kilowatthours)



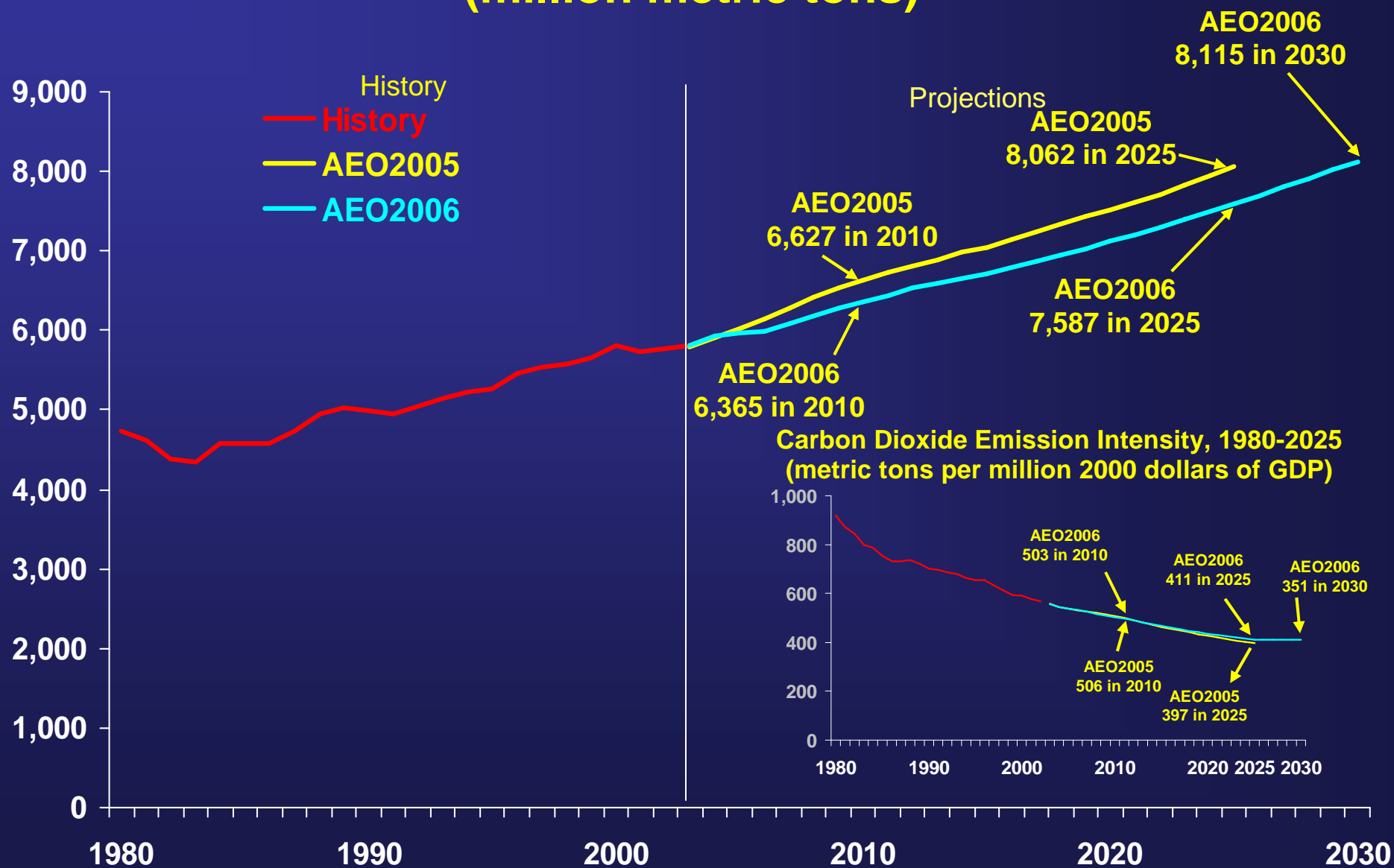
Emissions in the U.S. Electric Power Sector, 1980-2030 (million tons)



U.S. Electricity Price, 1970-2030 (2004 cents per kilowatthour)



U.S. Energy-Related Carbon Dioxide Emissions, 1980-2030 (million metric tons)



***Annual Energy Outlook 2006* reference case indicates that through 2030....**

- U.S. energy demand is projected to grow at an average annual rate of 1.1 percent
- The energy efficiency of the economy is projected to increase at an average annual rate of 1.8 percent
- U.S. oil import reliance is projected to grow from 58 percent to 62 percent
- U.S. natural gas use is projected to peak around 2020
- Future growth in U.S. natural gas supplies depends on unconventional domestic production, natural gas from Alaska, and liquefied natural gas imports
- Carbon dioxide emissions are projected to grow at an average annual rate of 1.2 percent

Periodic Reports

Petroleum Status and Natural Gas Storage Reports, weekly

Short-Term Energy Outlook, monthly

Annual Energy Outlook 2006, December 2005, full report, February 2006

International Energy Outlook 2005, July 2005

Examples of Special Analyses

*Analysis of Oil and Gas Production in the Arctic National Wildlife Refuge,
March 2004*

The Global Liquefied Natural Gas Market: Status and Outlook, Dec 2003

“Restricted Natural Gas Supply Case,” Annual Energy Outlook 2005

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