



207 UGS projects worldwide could add 130 bcm of working gas by 2020.

Rueil-Malmaison, April 6, 2010. - CEDIGAZ, the international association focused on natural gas statistics, has just released its "*Underground gas storage in the World - 2010 edition*.

The survey provides an analysis of the recent evolutions in the technico-economic aspects of the underground gas storage business, as well as an overview of the UGS markets and their developments in the world, country by country. A specific focus is made on the legal framework and storage tariffs in European countries, as well as on their future storage needs by 2020.

As of February 2010, CEDIGAZ identified 207 underground gas storage projects in the world, representing an additional working capacity of 131.3 bcm compared to a current available volume of 333.3 bcm. The majority of the projects are located in Europe with 127 sites (68 new facilities and 59 expansions of existing sites). The analysis of the UGS projects reveals the following trends:

- The strong dynamics of the storage market in the US, with 27 projects for new facilities and 22 expansions of existing sites. As has been seen during the storage filling season in 2009, the low prices on natural gas markets pushed the gas players to inject gas in order to profit from future price increases. According to the Energy Information Administration (EIA), UGS in the US were close to being completely full with 108 bcm stored in November 2009, even though the effective maximum storage capacity is not precisely known. New storage projects could bring an additional 19.2 bcm by 2020, including 11.8 bcm in salt cavern storages. This growing capacity increase will reduce the tensions on storage markets in the US and facilitate price arbitrages for gas players.

- The leadership of Europe, which could almost double its storage capacity by 2020, with 75.7 bcm of planned additional working capacity compared to the 85.6 bcm at the beginning of 2010. Liberalisation of European gas markets and the security of supply issue are the key factors of this development.

- New countries should develop their own storage facilities in the future: Mexico, Albania, Bosnia & Herzegovina, Lithuania, Georgia, New Zealand, Pakistan, and Iran. In these countries, UGS projects are designed mainly to balance seasonal demand and meet winter demand peaks.

More information: <http://www.cedigaz.org/surveys/thematic.htm>

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