



Shaping the future.

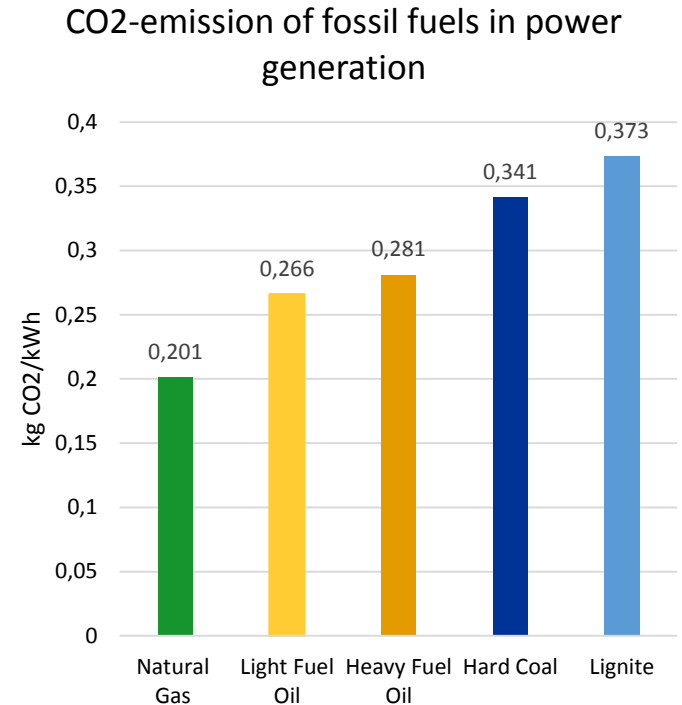
# **Gas Infrastructure Projects in an Post-South Stream Environment – is Investing still attractive?**

Strasbourg, 9<sup>th</sup> June 2015

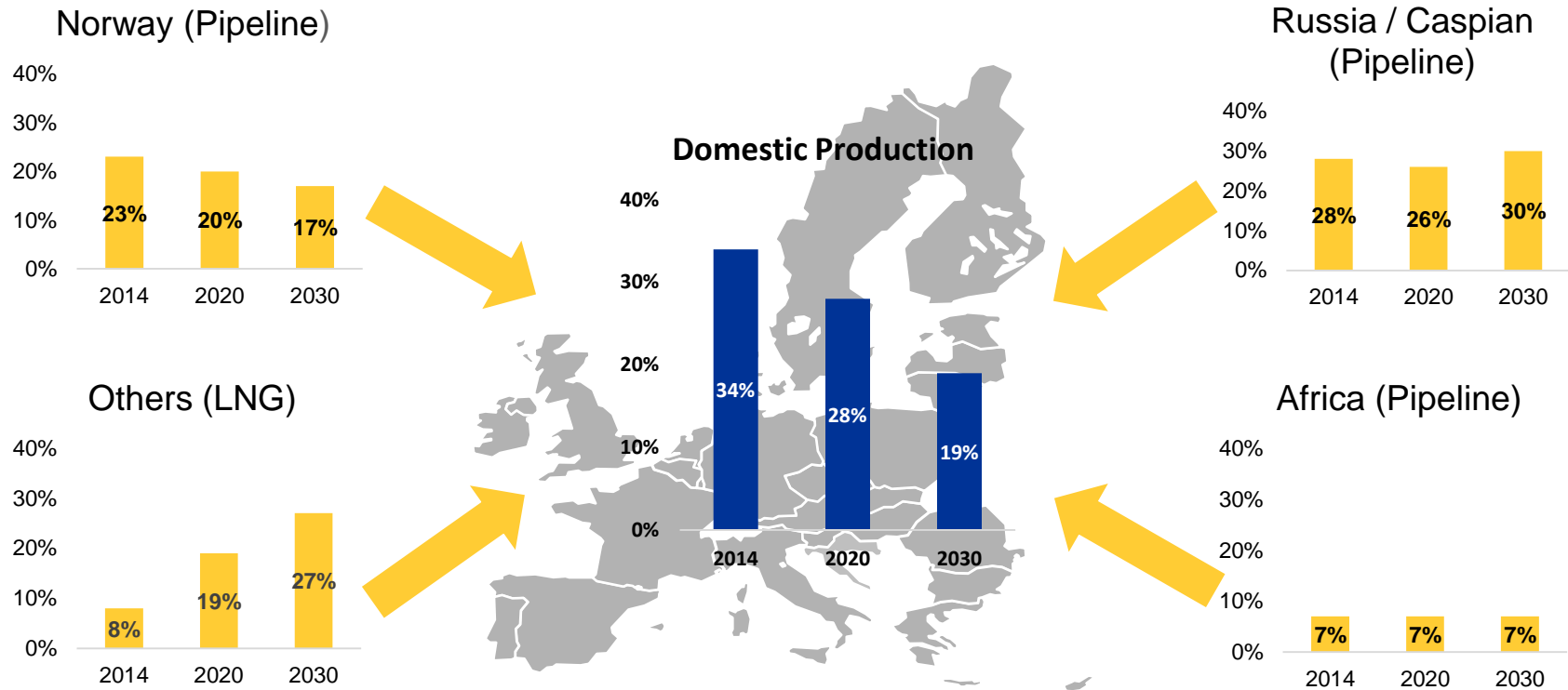
# Natural Gas Infrastructure in Europe

## Advantages of Natural Gas

- Environmental friendly:
  - Lowest CO<sub>2</sub>-emission of all fossil fuels
  - Replacing lignite fired power plants by natural gas fired power plants is the most cost-effective way to meet CO<sub>2</sub>-emission targets
- Security of supply:
  - Nearly 80% of global reserves are located within a radius of 4000 km around Europe
  - Resources available for more than 200 years
  - Established and reliable standards for production, transportation and utilization



Natural gas should remain an essential pillar of European energy mix



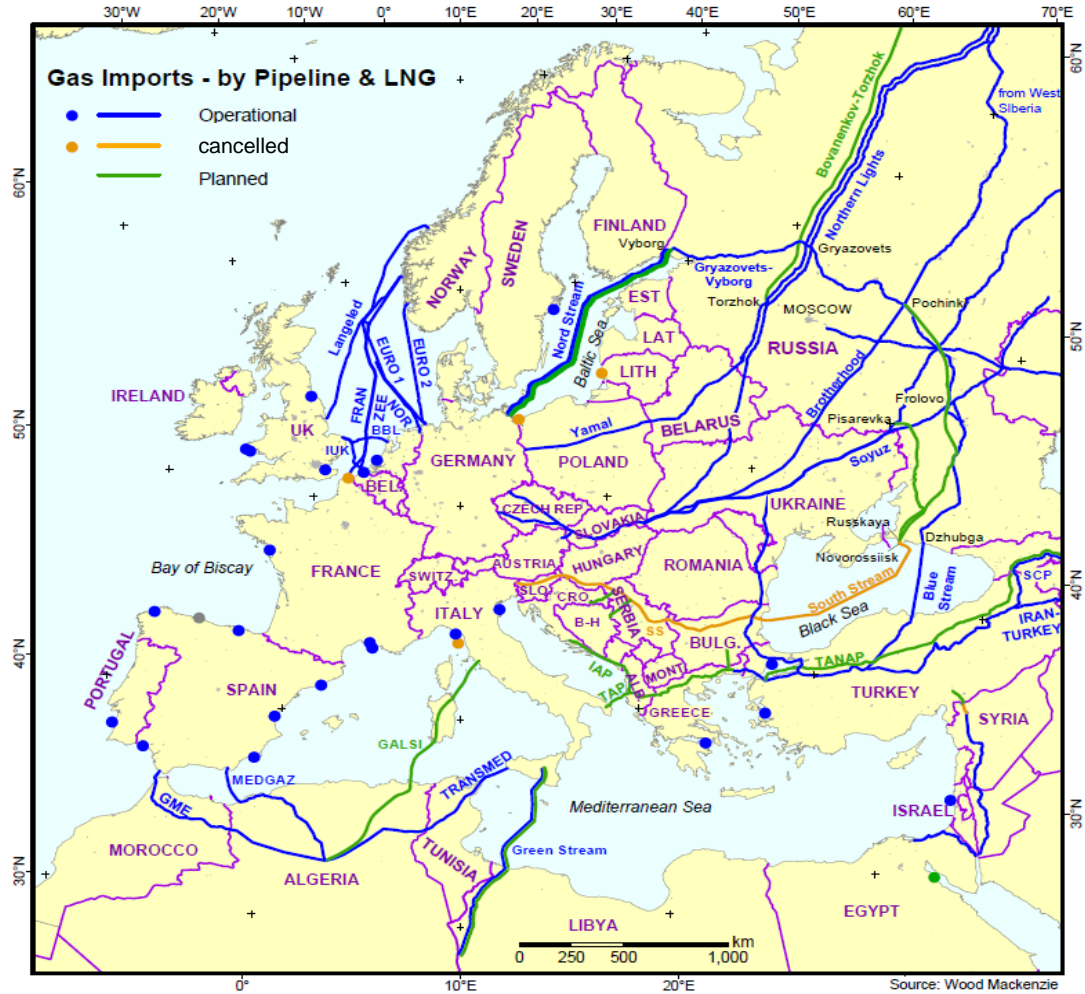
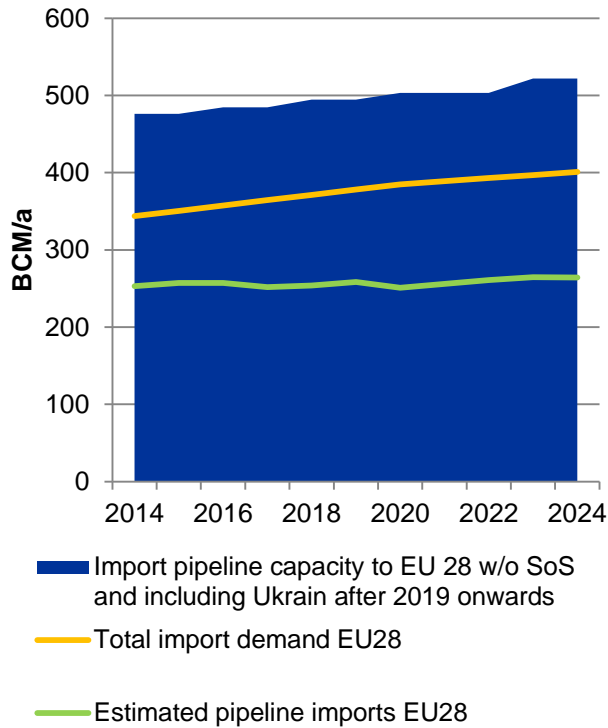
- Growing import demand will be met by additional LNG imports and slightly growing Russian supply
- Domestic and Norwegian supply will still play an essential role in 2030

# Natural Gas Infrastructure in Europe

## Pipeline Infrastructure



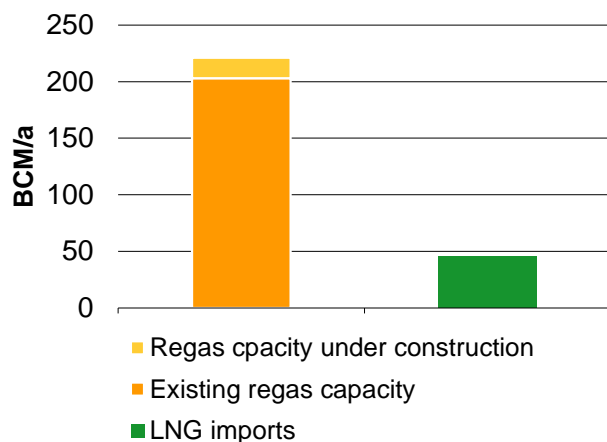
Import pipelines EU 28 vs. import demand EU 28



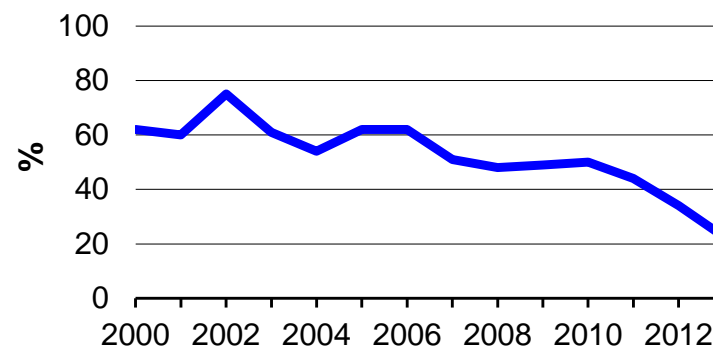
A subsidiary of BASF – We create chemistry

## LNG Infrastructure

### EU 28 LNG imports and regasification capacity 2013



### Utilization of European regasification capacity (LNG)



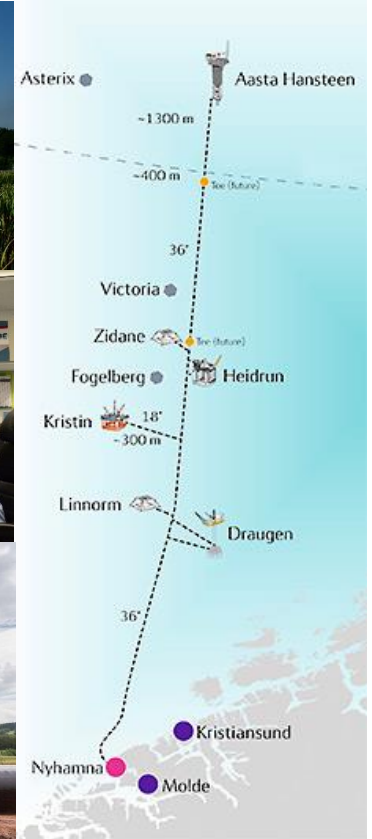
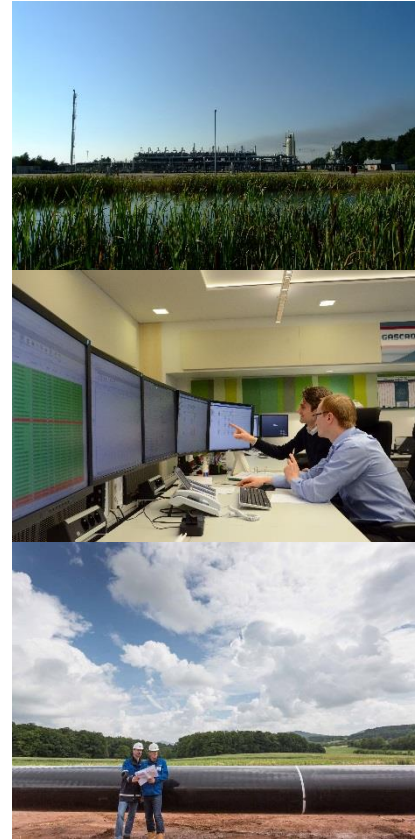
- Import pipelines and LNG-infrastructure are capable of meeting the capacity demand for rising import needs within EU 28
- Nevertheless bottlenecks between member states and desirable diversification of sources and routes can make new investments necessary

# Natural Gas Infrastructure in Europe

## Contribution of Wintershall



- Import infrastructure
  - Nord Stream (15.5% share)
  - Polarled (13.3% share)
- Transmission infrastructure
  - GASCADE (50.02% share)
  - NEL (25.5% share)
  - OPAL (40% share)
- Storage infrastructure
  - Rehden (50.02% share)
  - Jemgum (42.88% share)
  - Haidach (16.67% share)



Wintershall's engagement in European natural gas infrastructure highly contributes to security of supply

# Investments into new Infrastructure

- Import infrastructure outside EU28 (not regulated):
    - Investment decisions depending on planning security, political support and sufficient rate of return offered by the market
    - Investments mainly initiated and carried out by natural gas producers
  
  - Transmission infrastructure within EU28 (regulated)
    - Investment decisions depending on reliable and transparent regulation framework, sufficient rate of return granted by the regulation
    - Before unbundling of trading and transportation, investments were initiated and carried out by integrated gas traders; today investments are mainly initiated by regulation and carried out by financial investors
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- Further investments by Wintershall in Europe, in particular into transmission infrastructure, is unlikely due to unpredictable rate of return