

Subscribe to NexantThinking™



PERP Report 2017S8: International Shale Gas: Reassessing the Industry's Future

“International Shale Gas: Reassessing the Industry's Future” is one in a series of reports published as part of the 2017 Process Evaluation/Research Planning (PERP) Program.

Report Overview

Countries around the world have been inspired by the surge in North American shale gas production that has transpired over the several years. Less than a decade ago, the consensus was that easy-to-reach and inexpensive gas reserves in Canada and the United States were dwindling, and that large-scale gas imports would be required to make up the shortfall in supply and demand. But today's conventional wisdom holds that North American shale gas production will continue to increase steadily, all but negating the need for inter-regional gas imports in both Canada and the United States, and indeed, transforming both countries into potentially large global gas exporters. Several countries outside the region hope to echo the remarkable success enjoyed by North American producers to date. By so doing, they hope to reap the rewards of cost-competitive supply security, energy diversity, and of course, the transfer of technical knowledge and expertise that North American shale gas players and service companies have acquired.

The primary purpose of this report is to analyze the shale gas resource potential of countries outside North America, and identify the most likely sources of commercial production outside of North America over the next five years. This report also considers petrochemical production economics based on feedstocks currently being utilized and the potential impact of shale gas in countries presently using heavier feedstocks. The following issues are addressed in the report:

- What is the global distribution of shale gas resources? Where is commercial production occurring today?
- What are the operational and technical challenges faced by shale gas developers? What methods and innovations have been devised to economically identify and produce these resources, and optimize well operations?
- What is the significance of shale gas resource potential in key countries' existing gas supply mixes? What are the factors – geological, commercial, geopolitical, and institutional - favoring and/or disfavoring development?
- How has the prevailing low oil price environment affected production economics and ultimately, investment?
- What is the scope of global shale gas production over the next five years, and to what extent will shale gas underpin global gas trades?

International Shale Gas Resources

This report presents Nexant's views on the shale gas resource potential and most likely sources of commercial production outside of North America through 2022. The analysis includes shale gas resources located in Asia, North America (Canada and Mexico only), South America, Europe, Australia, Africa, and the Middle East.

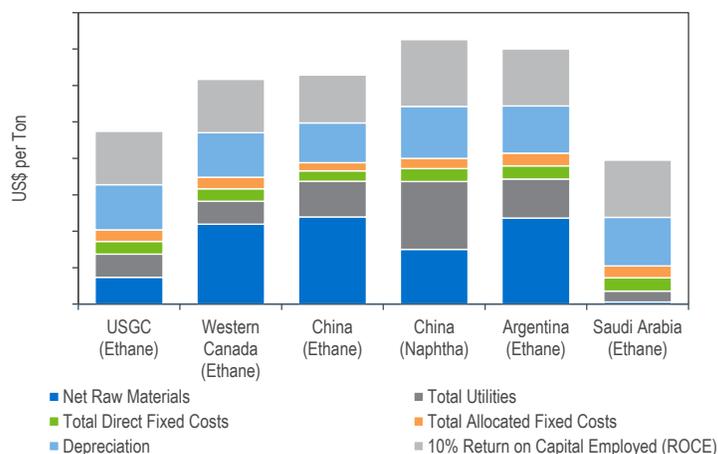
Regional Market Analysis

Using Nexant's proprietary World Gas Model (WGM), this report presents historical and projected (through 2022) global and regional production and consumption of natural gas. Nexant's views on the share of shale gas in the global supply mix are also presented.

Process Economics

Comparative production economics for ethylene and high density polyethylene (HDPE) were developed for the U.S. Gulf Coast (USGC), Western Canada, China, Argentina, and Saudi Arabia on a 2017 and projected 2022 basis, to show the impact of ethane prices on downstream derivatives.

ETHYLENE PRODUCTION ECONOMICS, 2017



PERP Subscription Options

PERP Reports can be purchased as an annual subscription to the full program or on an individual basis, including reports from earlier program years. For a complete list of PERP Reports, please visit us at thinking.nexant.com/

NexantThinking™

NexantThinking reports and subscription programs provide clients with comprehensive analytics, forecasts and insights for the chemicals, polymers, energy and cleantech industries. Using a combination of business and technical expertise, with deep and broad understanding of markets, technologies and economics, NexantThinking provides solutions that our clients have relied upon for over 50 years.

Global in scope, Nexant serves its clients from over 30 offices located throughout the Americas, Europe, the Middle East, Africa and Asia.

Subscribe to our thought leadership today and explore our products and services at:

thinking.nexant.com

Corporate Headquarters

Tel: +1 415 369 1000
101 2nd St Suite 1000
San Francisco
CA 94105-3651
USA

Americas

Tel: +1 914 609 0300
44 S Broadway, 4th Floor
White Plains
NY 10601-4425
USA

Europe, Middle East & Africa

Tel: +44 20 7950 1600
1 King's Arms Yard
London EC2R 7AF
United Kingdom

Asia Pacific

Tel: +662 793 4600
22nd Floor, Rasa Tower I
555 Phahonyothin Road
Kwaeng Chatuchak
Khet Chatuchak
Bangkok 10900
Thailand

