



NEWS RELEASE

United States Will Be Net Exporter of Natural Gas by 2017

New Report from CoBank Outlines Significant Growth in Domestic Exports, Other Changes in Natural Gas Marketplace

DENVER (September 24, 2015) – The United States’ natural gas demand is currently growing at the fastest pace since the early 1970s, and demand growth has now supplanted supply growth as the cornerstone for the outlook of the U.S. natural gas industry over the next five years, according to a new CoBank research report.

The newly issued report entitled “U.S. Natural Gas Outlook through 2020: Demand Is the New Captain of the Ship,” points out that the promise of low-cost, reliable natural gas supplies has spurred major investments by all end-users. As a result, the demand for U.S. natural gas will grow 25 percent over the next five years, with gas exports accounting for over half the growth.

A portion of the gas exported from the U.S. will be pipelined to Mexico, but most of it will be liquefied and then loaded onto tanker ships destined for overseas markets in Europe and Asia. The report projects that the U.S. will become a net exporter of natural gas within the next two years, transforming the United States into a major supplier to the global energy markets. “It’s definitely a game changer for the global gas markets,” said Taylor Gunn, the author of the report.

Vast quantities of natural gas have been unleashed since 2008 thanks to advancements in hydraulic fracturing and horizontal drilling. The nation’s total dry natural gas production is projected to increase by 29 percent over the next five years, paralleling the growth in demand. Even with the large projected growth in the nation’s demand and supply of natural gas, natural gas prices are expected to remain little changed from their current low levels – hovering well below \$5 per MMBtu over the next five years.

The report was produced by CoBank’s Knowledge Exchange Division, which is a knowledge-sharing practice that provides strategic insights regarding the key industries served by CoBank. Knowledge Exchange draws upon the internal expertise of CoBank, deep knowledge within the Farm Credit System and boots-on-the-ground intelligence from customers and other stakeholders to enhance the collective understanding of emerging business opportunities and risks.

A full copy of the report is available to the media upon request. To see a video clip of the report’s highlights, click [here](#).

About CoBank

CoBank is a \$107 billion cooperative bank serving vital industries across rural America. The bank provides loans, leases, export financing and other financial services to agribusinesses and rural power, water and communications providers in all 50 states. The bank also provides wholesale loans and other financial services to affiliated Farm Credit associations serving more than 75,000 farmers, ranchers and other rural borrowers in 23 states around the country.

CoBank is a member of the Farm Credit System, a nationwide network of banks and retail lending associations chartered to support the borrowing needs of U.S. agriculture and the nation's rural economy. Headquartered outside Denver, Colorado, CoBank serves customers from regional banking centers across the U.S. and also maintains an international representative office in Singapore.

For more information about CoBank, visit the bank's web site at www.cobank.com.

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