



2025 RBAC Gas and User Conference

The Leader in Energy Market Simulation Systems

Providing energy companies, consultants, and regulators advanced tools to support:

- **Investment and M&A Strategy**
- **Trading Strategy**
- **Environmental and Sustainability Goals**
- **Policy Development and Assessment**
- **Credible Risk Analysis**
- **Energy Security**

Changes, Uncertainty and Opportunity 2025 and Beyond

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What has changed in the past few years?

**A look at Geopolitical and Energy
Market Shifts.**

Geopolitical & Energy Market Shifts

- **United States:**
 - 2nd Trump Administration
 - Regulatory Shifts (Pro Oil & Gas)
 - **On Day One**, Trump signed an executive order declaring a **national energy emergency** and lifted the Biden-era freeze on LNG export permits.
 - Approval of Major LNG Projects (CP2 & Golden Pass)
 - Record LNG Export Milestones
 - First country to export over **10 million metric tonnes** of LNG in a single month (October).

Geopolitical & Energy Market Shifts

- **Europe:**

- Despite the Green Deal, the political surge of conservative parties created pressure to weaken environmental regulations and prioritize “**competitiveness**”.
- **Italy & UK** continuing significant oil & gas project development.
- EU as a whole increasing **LNG imports** for energy security.
- However, there is still a significant push towards **decarbonization**.

Geopolitical & Energy Market Shifts

- **Asia:**

- China's LNG Import Strategy Has Pivoted

- **2024:** China increased LNG imports by 8%¹.
 - **2025:** Imports are now declining 6–11%² year-on-year and as much as 20%³ in 2025.

- Policy Focus on Energy Security and Cost

- China aims to boost **domestic oil and gas production**.
 - **Renewables and Electrification** are accelerating.
 - LNG faces competition with **coal and renewables**.

- Regional Trends Beyond China

- **Japan & South Korea:** Still signing long-term deals for energy security but negotiating aggressively on pricing.
 - **Emerging Asia (India, Southeast Asia):** Demand remains price-sensitive; buyers prefer shorter or flexible contracts due to volatility and affordability concerns.

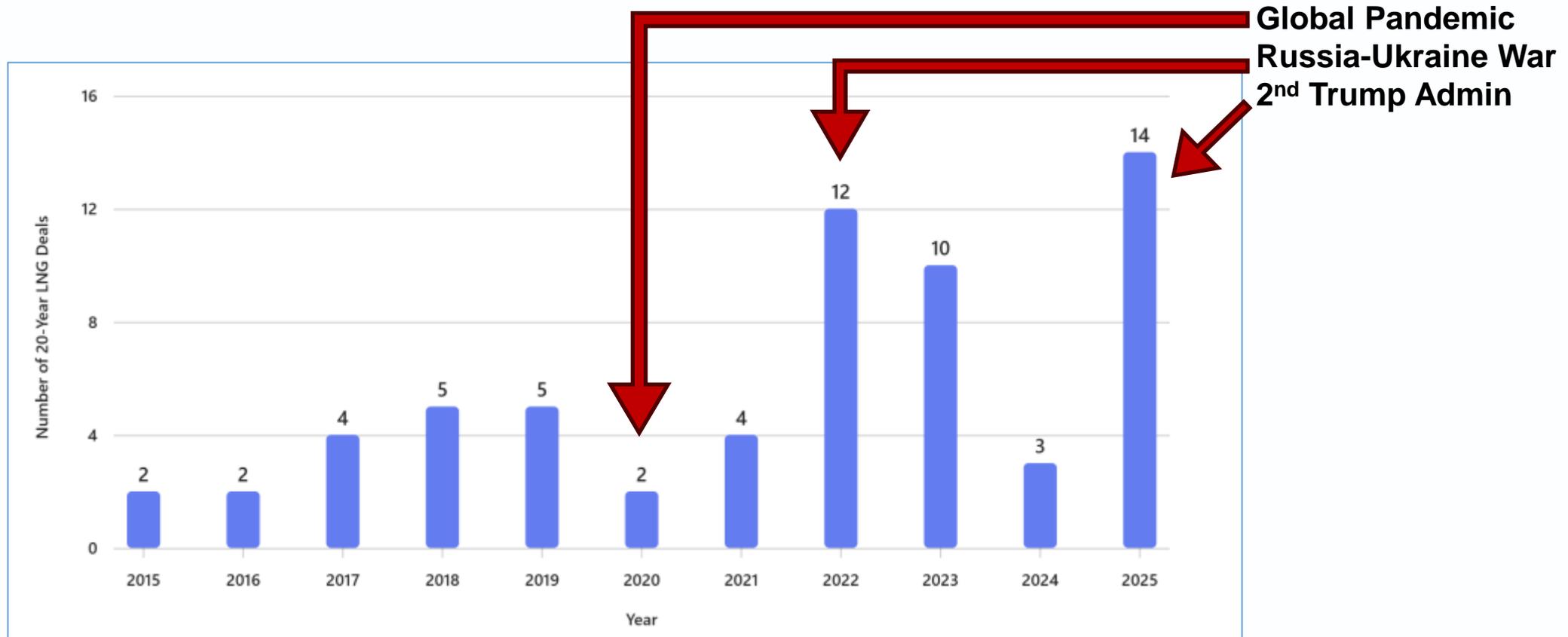
Geopolitical & Energy Market Shifts

- **LNG Contracting Shifts:**

- U.S. LNG producers signed 29.5 mtpa of long-term Sales and Purchase Agreements (SPAs) in the first 10 months of 2025. (Over 4× the volume signed in all of 2024.)
- Major deals include Japan's JERA securing up to 5.5 mtpa annually for 20 years from U.S. suppliers and Mitsui (Japan), Naturgy (Spain), and Greek buyers signing 20-year SPAs with Venture Global.

Geopolitical & Energy Market Shifts (Change)

- LNG Contracting Shifts:**



4. LNG 20 Year Contracts Chart (See Sources slide 20)

What uncertainty lies ahead?

New uncertainties emerge while past uncertainties remain.

Geopolitical & Energy Market Uncertainty

The “Usual”

- **Price Volatility**
- **Weather (Seasons)**
- **Changing Supply & Demand Dynamics**
 - Will there be **LNG over supply** in the next 5 years?
 - Will **China/Asia** be able to absorb all the LNG.
 - With the **Green New Deal**, will European demand last?
 - How about **Data Center and AI** demand in the United States?

The “Unusual”

- **Tariffs & Trade Wars**
 - Impact on the economy and energy
- **Russia-Ukraine War**
 - How much longer?
 - Will a significant amount Russian gas ever make it back to European markets?
- **Extreme Weather**
 - Hurricanes
 - Freezes

What are the opportunities and how do you find them?

There have always been potential opportunities but finding them takes a good strategy and foresight.

Finding Energy Market Opportunities

- **Areas of Potential Opportunities:**
 - M&A Opportunities
 - Infrastructure Investment
 - Gas and LNG Contracting Strategy
 - Trading & Portfolio Optimization

So... here's the plug.



Finding Energy Market Opportunities

GPCM[®] and **G2M2[®]** are powerful market simulation tools that allow companies to model future market conditions under different scenarios, leading to more optimal strategies and decisions, uncovering unforeseen opportunities, and helping reduce risk.

Finding Energy Market Opportunities

- **M&A Opportunities:**
 - **Asset Valuation:** Simulate future gas flows, prices, and capacity utilization to estimate the long-term profitability of pipelines, LNG terminals, or storage assets.
 - **Risk Assessment:** Test scenarios like regulatory changes or demand shocks to determine a target asset resiliency.

Finding Energy Market Opportunities

- **Infrastructure Investment:**
 - **Capacity Planning:** Identify bottlenecks in pipeline or LNG infrastructure under different demand growth scenarios.
 - **Price Forecasting:** Simulate price spreads and gas flows to calculate potential returns on new projects.
 - **Timing Decisions:** Determine whether to invest now or later based on projected supply-demand balances and price uncertainty.

Finding Energy Market Opportunities

- **Gas and LNG Contract Strategy:**
 - **Price Forecasting:** Model regional price dynamics (Henry Hub, TTF, JKM) under various supply-demand and geopolitical scenarios.
 - **Contract Optimization:** Compare long-term vs. short-term contracting strategies.
 - **Flexibility Analysis:** Evaluate the value of destination flexibility in contracts.

Finding Energy Market Opportunities

- **Trading & Portfolio Optimization:**
 - **Arbitrage Opportunities:** Simulate regional flows and price spreads on a monthly basis to uncover short-term opportunities for pipeline capacity swaps or incremental transport deals.
 - **Hedging Strategy:** Evaluate hedging strategies against projected monthly prices, enabling better management of seasonal demand shifts, storage cycles, and basis risk.
 - **Market Stress Testing:** Run scenarios like extreme weather or geopolitical disruptions to prepare trading strategies.

WELCOME to RBAC's 2025 Annual Gas and User Conference

Sources

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2. OilPrice.com (Reuters data) [China's LNG Imports Set for Rare Decline in 2025 | OilPrice.com](#)
3. Global LNG Hub [China's LNG imports plummeted by 20% in H1 2025 | Global LNG Hub](#)
4. LNG 20 Year Contracts Chart Sources:
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 - OilPrice.com – U.S. LNG's Record-Breaking Year: <https://oilprice.com/Energy/Energy-General/Six-FIDs-72-Billion-US-LNGs-Record-Breaking-Year.html>
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