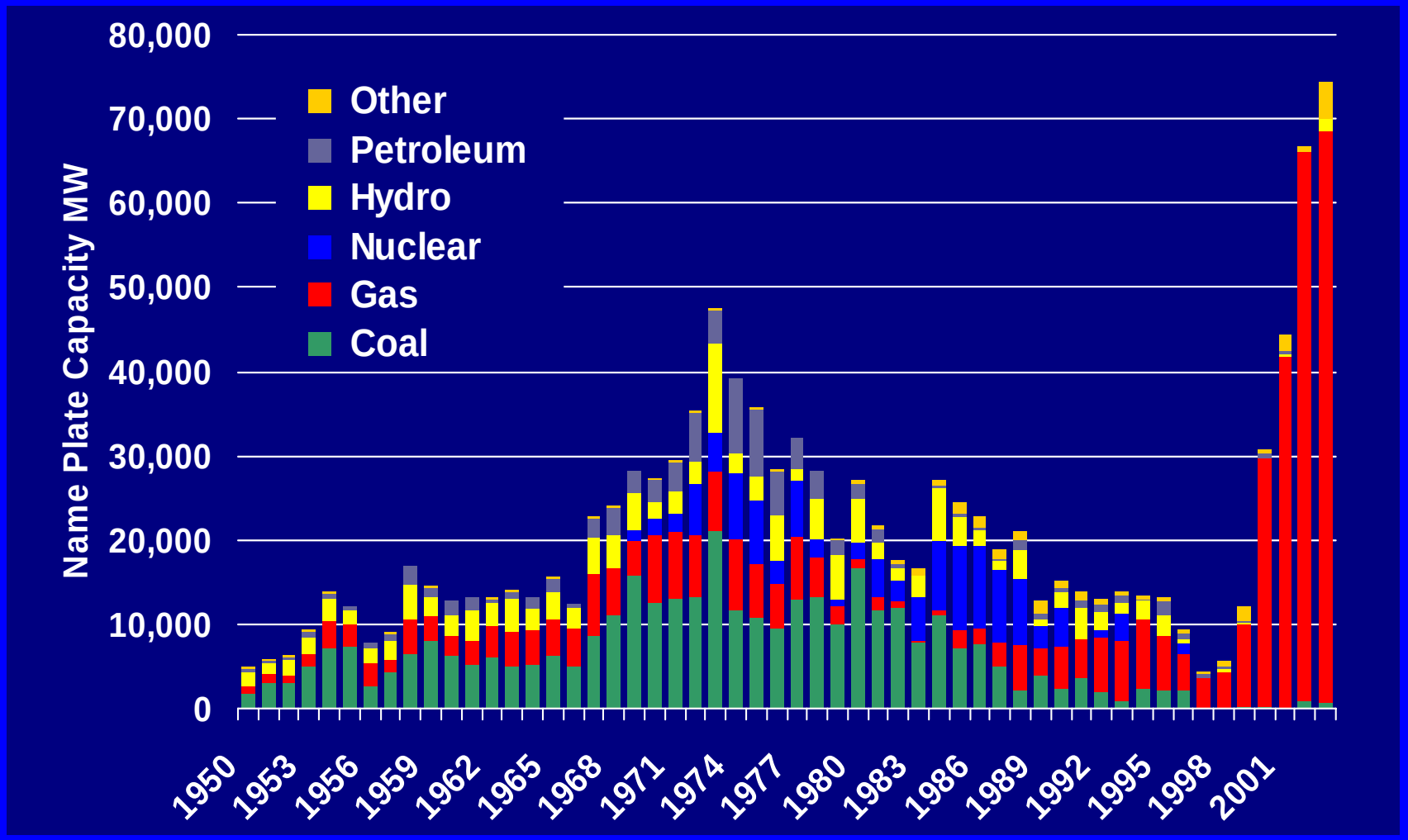
SOLUTION TO THE NATURAL GAS SHORTAGE

What are the Facts ?

The Texas Institute for Advancement of Chemical Technology

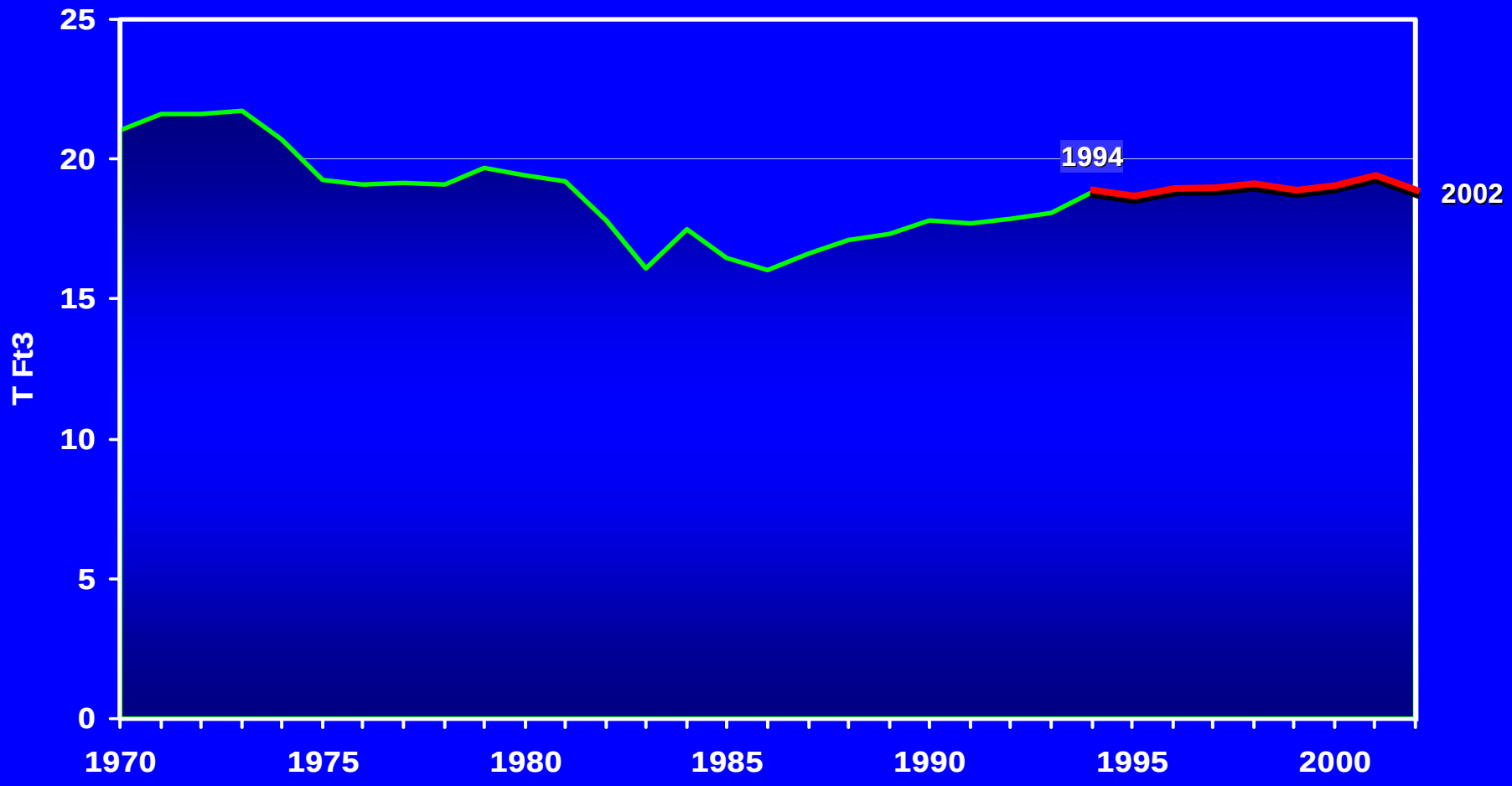
CAPACITY BROUGHT ON LINE BY FUEL TYPE (1950-2002)



Source: RDI PowerDat database. Last updated 9/15/03.

U.S. Dry Natural Gas Production, 1970-2002

(Taken from: *Presentation by R.W. Jewell; see Ref. 5, and EIA, 2003*)



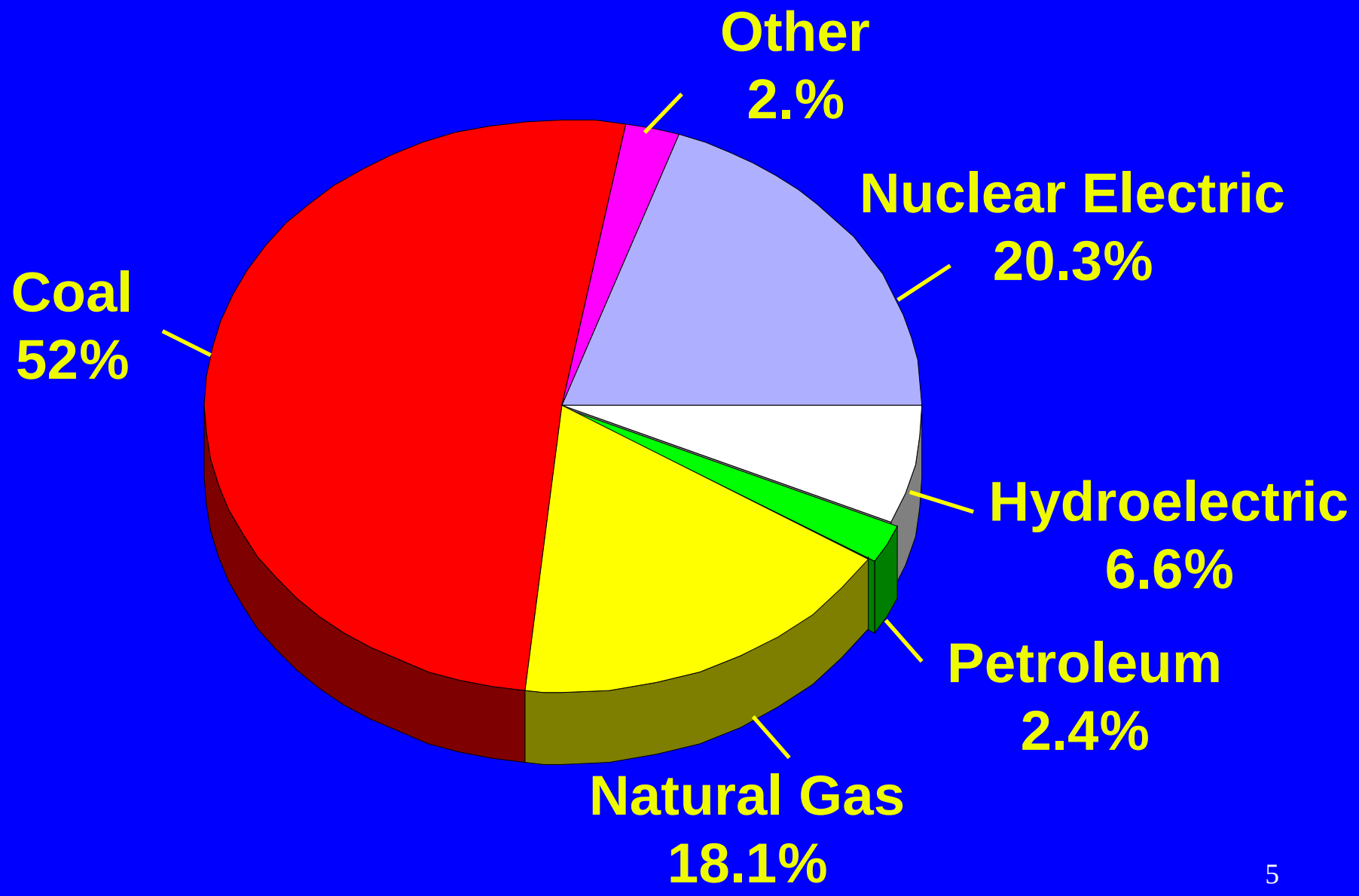
Source: EIA

PRICE OF NATURAL GAS

(Taken From: American Chemistry Council, www.accnewsmedia.com, 2003)

	Per million BTU
 USA	$ 5.50
 Russia	$ 0.80
 Venezuela	$ 0.70
 Kuwait	$ 0.60
 Algeria	$ 0.40

Fuels used to generate electricity

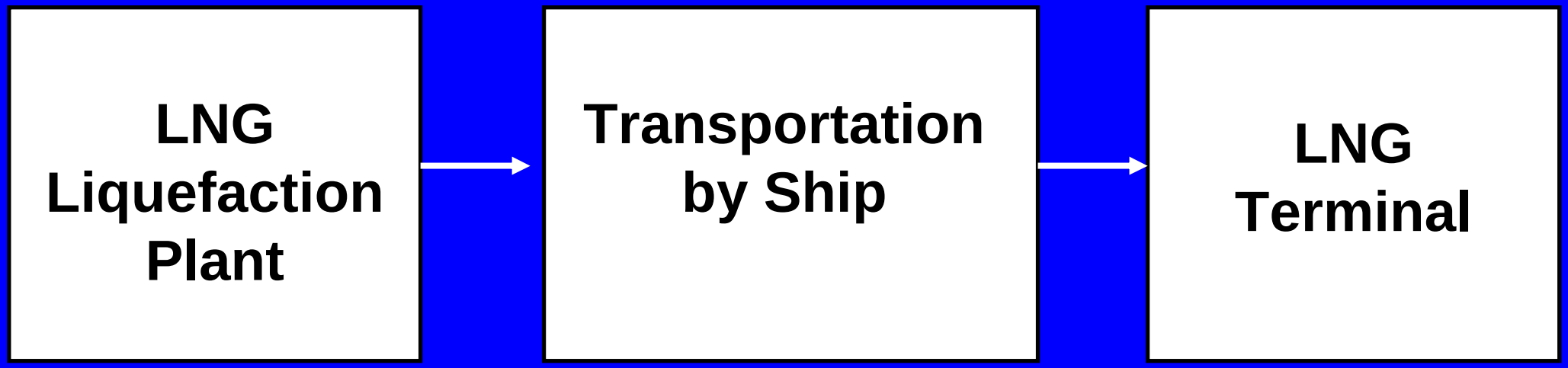


PROJECTED SUPPLY AND DEMAND FOR NATURAL GAS BY THE U.S. IN 2010

Source	Quantity
U.S. Domestic Production	19 tcf/y
Imports from Canada	3.5 tcf/y
Imports as LNG to Existing Terminals	1.43 tcf/y
TOTAL AVAILABLE	23.93 tcf/y
Estimated Need by EIA	28.13 tcf/y*
Potential Shortfall	4 tcf/y

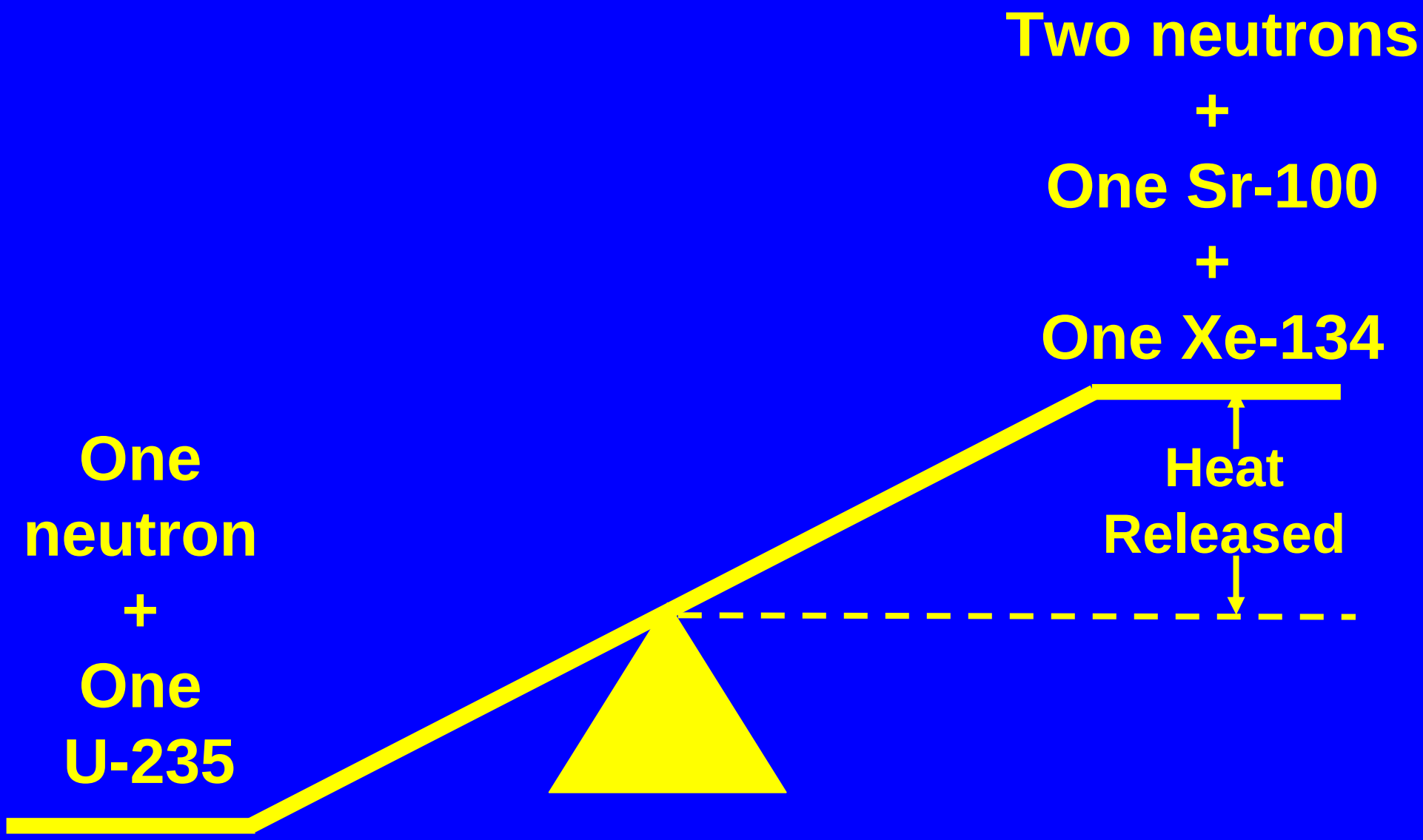
In January 2004, the original estimate of 28.13 was reduced by an equivalent amount of energy from clean coal

STEPS INVOLVED IN IMPORTING LNG



CHENIERE LNG SITES

(Taken from: *Cheniere LNG Brochure*; see Ref. 9)


Two neutrons
+
One Sr-100
+
One Xe-134
Heat
Released
One
neutron
+
One
U-235

NUCLEAR ENERGY POWER PLANTS

- Only realistic option for replacing natural gas and coal;
- Safety;
- Negligible radiation;
- Low cost: 3 cents per kwh- comparable to coal.
- Spent Fuel

Cost of Pellet = $5

Energy=
- 149 gallons of oil;
- 1,780 pounds of coal;
- 157 gallons of regular gasoline.

This pellet is:
1.0 centimeter in diameter;
1.5 centimeters high.
Fuel Rod Covering