

5.6 REGIONAL OVERVIEW: Supply Sources of Natural Gas

Looking at natural gas from a regional perspective, the industry in Latin America is in its infancy. Currently, only Argentina can boast a developed national gas transportation grid and infrastructure. A few of the larger urban centres, such as Sao Paulo, Caracas, and Santa Fe de Bogota, have local distribution companies providing gas service to electricity generation stations and industrial users. Columbia is also moving to expand gas distribution within the country, and exploit newly discovered domestic gas reserves.

As can be seen from the economic, environmental and energy potential of natural gas in Chile however, the expansion of markets and the increased utilization of this abundant resource may be the most exciting energy prospect in Latin America. The pipeline projects designed to integrate the energy systems of Argentina and Chile, Venezuela and Columbia, and to bring needed gas supplies from Bolivia and Peru, are the focus of much discussion and negotiation. Truckline access may also in turn, spur the rapid development of distribution networks and investment in gas-using capital equipment, continuing a commodity investment boom that will reach into the billions of dollars.

Natural Gas Production

(million cubic feet per day)

	1975	1980	1985	1990	1991	1992	1993
Argentina	1,026	1,394	1,935	2,285	2,383	2,422	2,574
Bolivia	104	186	499	591	587	606	654
Brazil	442	518	495	572	589	599	572
Columbia	248	397	480	493	500	494	517
Chile	351	239	138	205	171	193	270
Ecuador	43	55	86	130	81	84	90
Mexico	2,154	3,551	3,470	3,410	3,358	3,308	3,464
Peru	131	126	102	88	83	110	90
Venezuela	1,648	1,829	1,989	2,758	3,048	3,137	4,853
Total	6,147	8,295	9,194	10,532	10,800	10,953	13,084

Sources: SEE, OLADE Database,
Canadian Energy Research Institute

In Venezuela, there is a project on an even larger financial scale with Cristobol Colon liquified natural gas, which is targeted towards the southern United States gas market. Also in progress is the ongoing negotiation of a liquified natural gas facility in Trinidad, and the proposal to run a natural gas pipeline from Venezuela through Central America to Mexico.