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March , 2016

**STRATEGIC DIRECTIONS SURVEY RESULTS & CURRENT
NATURAL GAS INDUSTRY OUTLOOK**

COUNCIL OF INDUSTRIAL BOILER OWNERS (CIBO)

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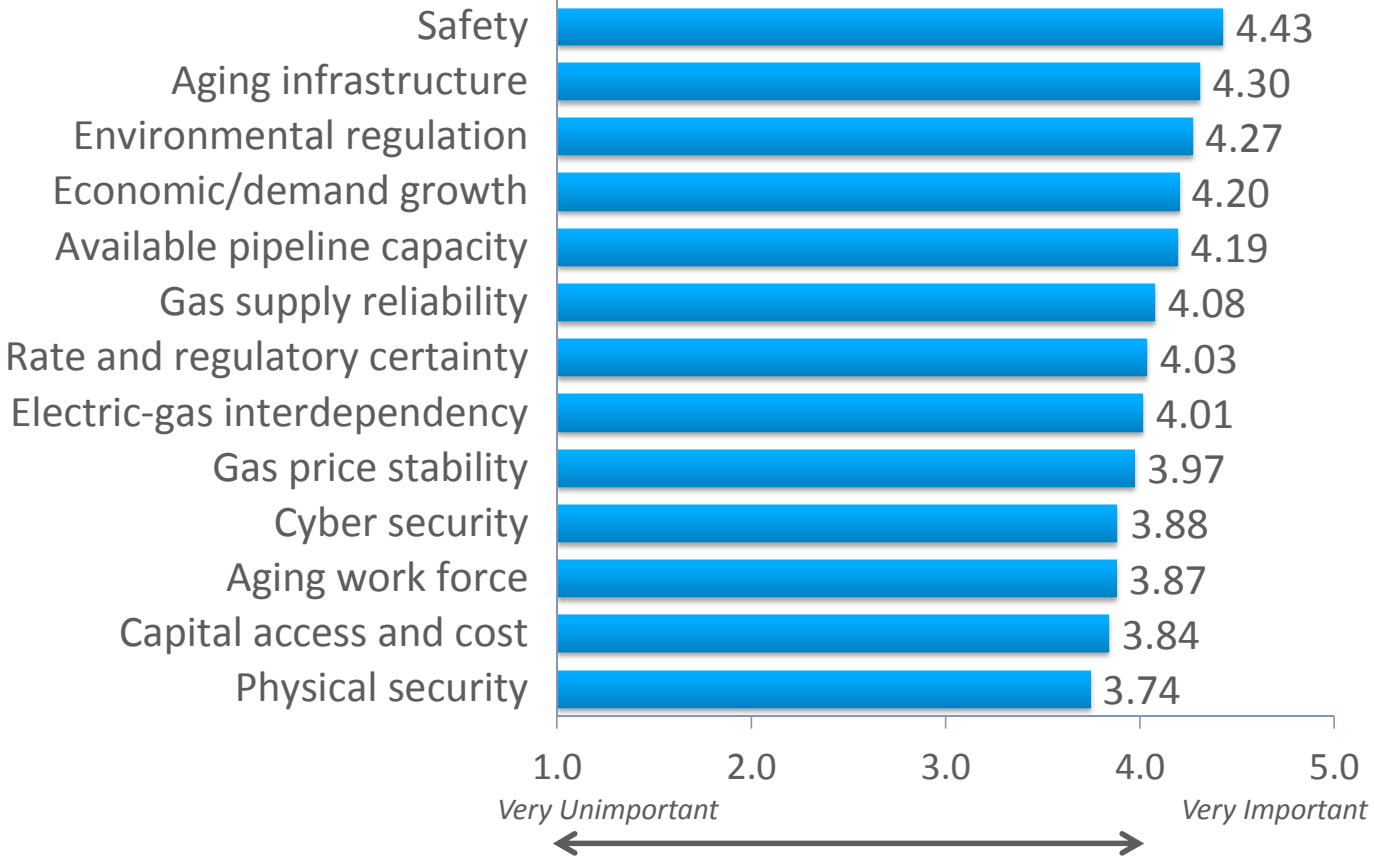


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AGENDA

- **2015 Strategic Directions Report: U.S. Natural Gas Industry**
- **Current Natural Gas Industry Outlook**
- **Q&A session**

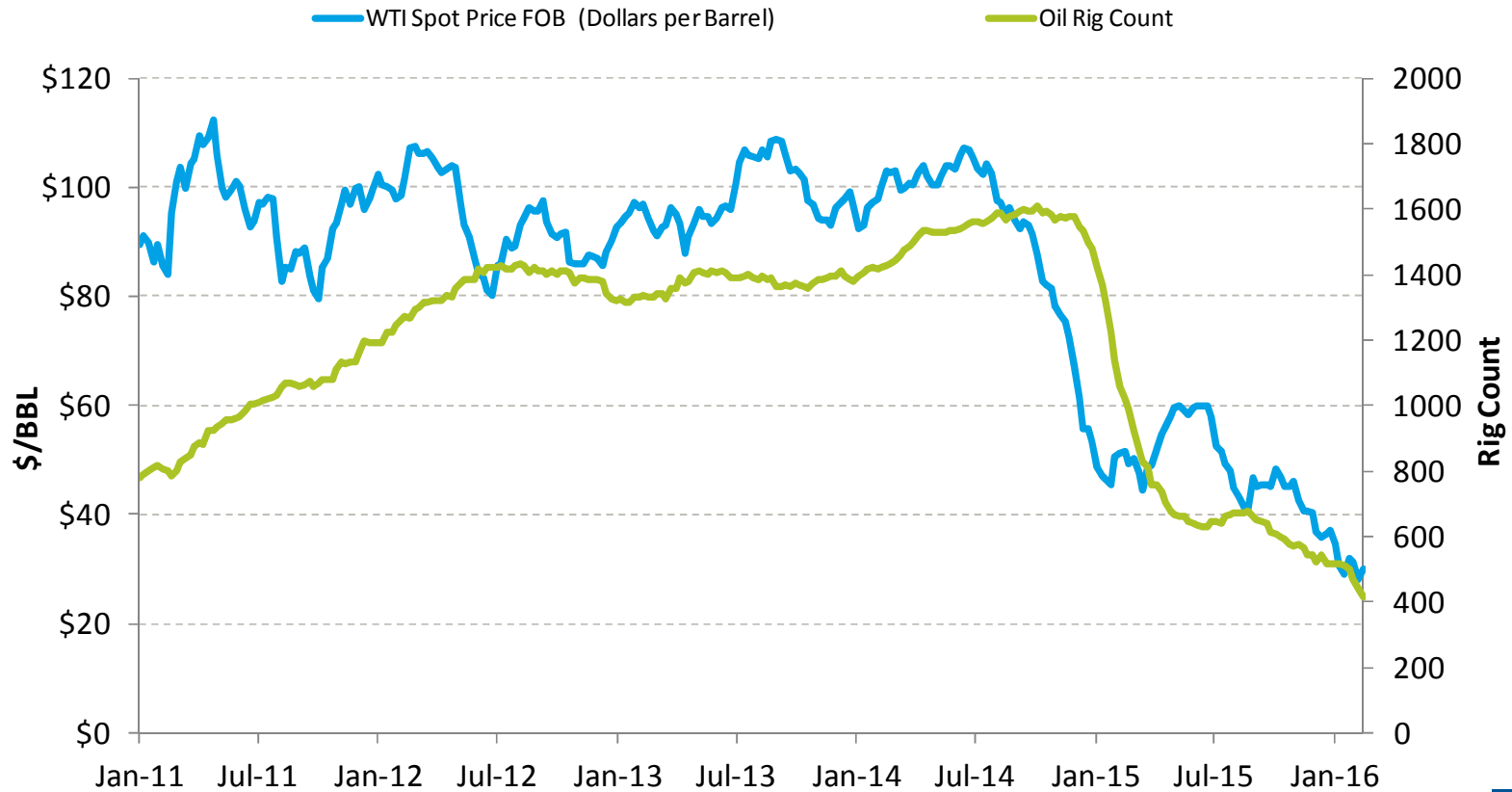
IMPORTANCE OF INDUSTRY ISSUES



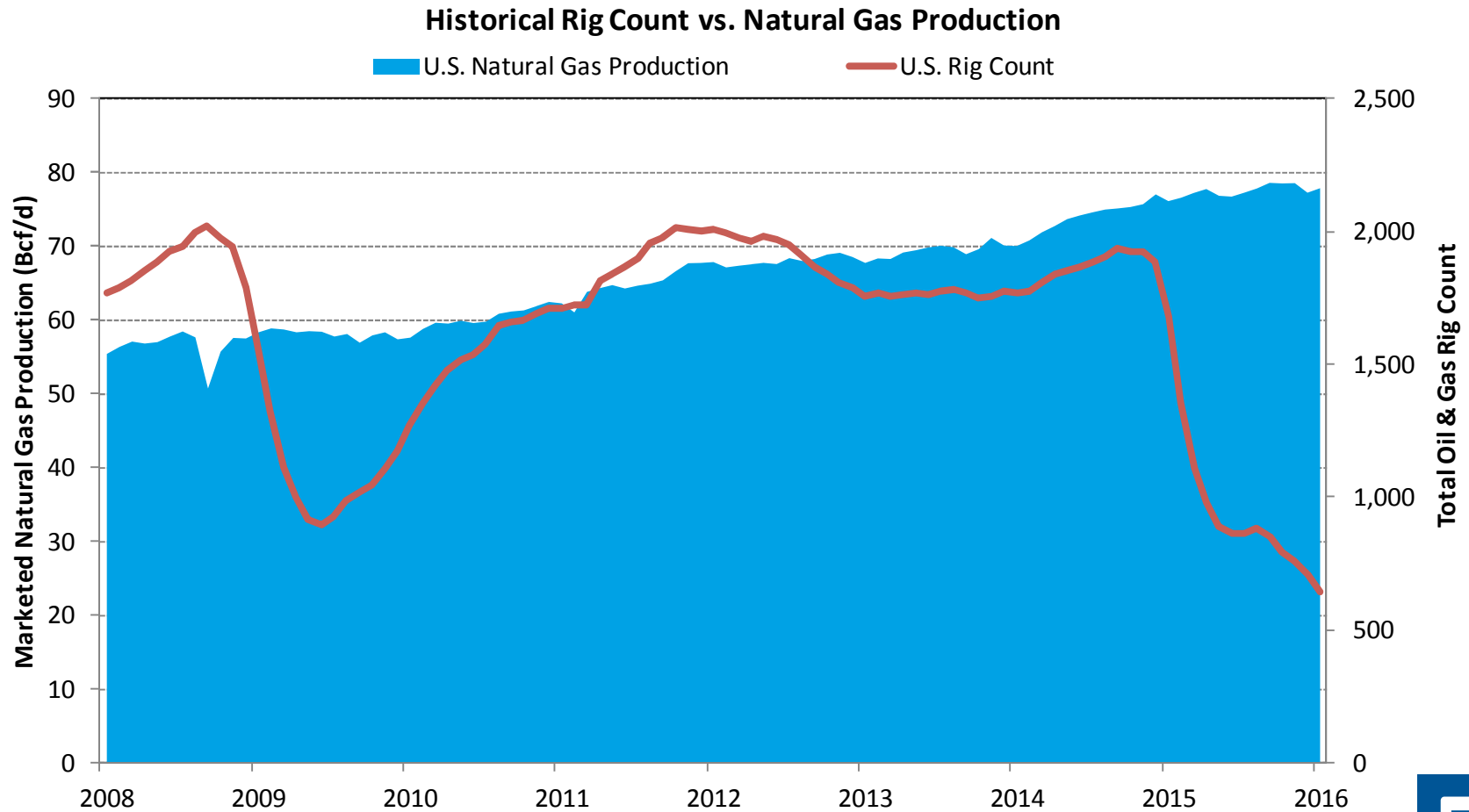
Q8. On a 5-point scale, where a rating 5 means “Very Important” and 1 means “Very Unimportant,” please rate the importance of each of the following long-term issues to the natural gas industry. Select one choice per row. (All Respondents)

A SIGNIFICANT PULLBACK IN DRILLING ACTIVITY FOLLOWS DEPRESSED OIL PRICES

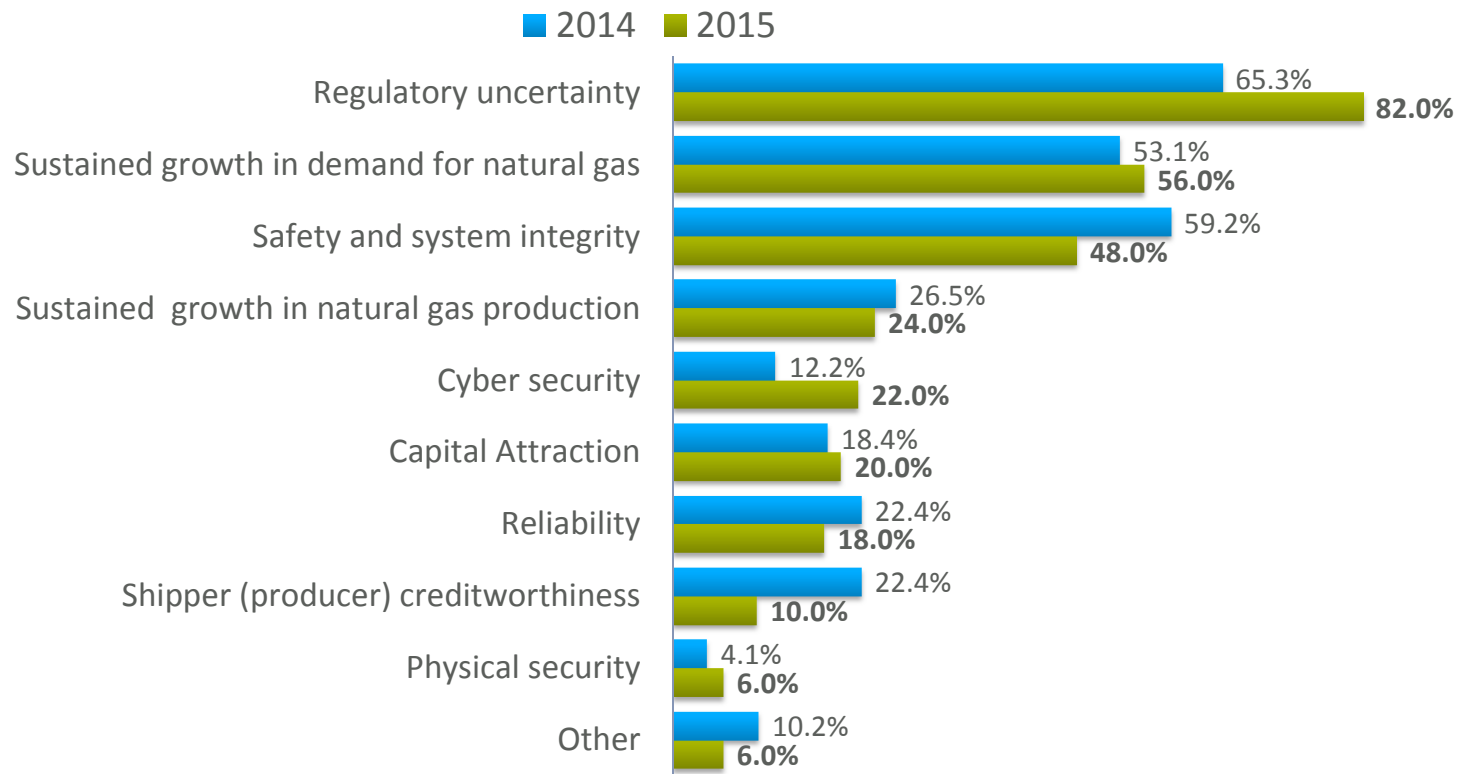
Oil Rig Count and WTI Spot Price



GAS PRODUCTION HAS REMAINED FLAT OVER THE PAST 12 MONTHS

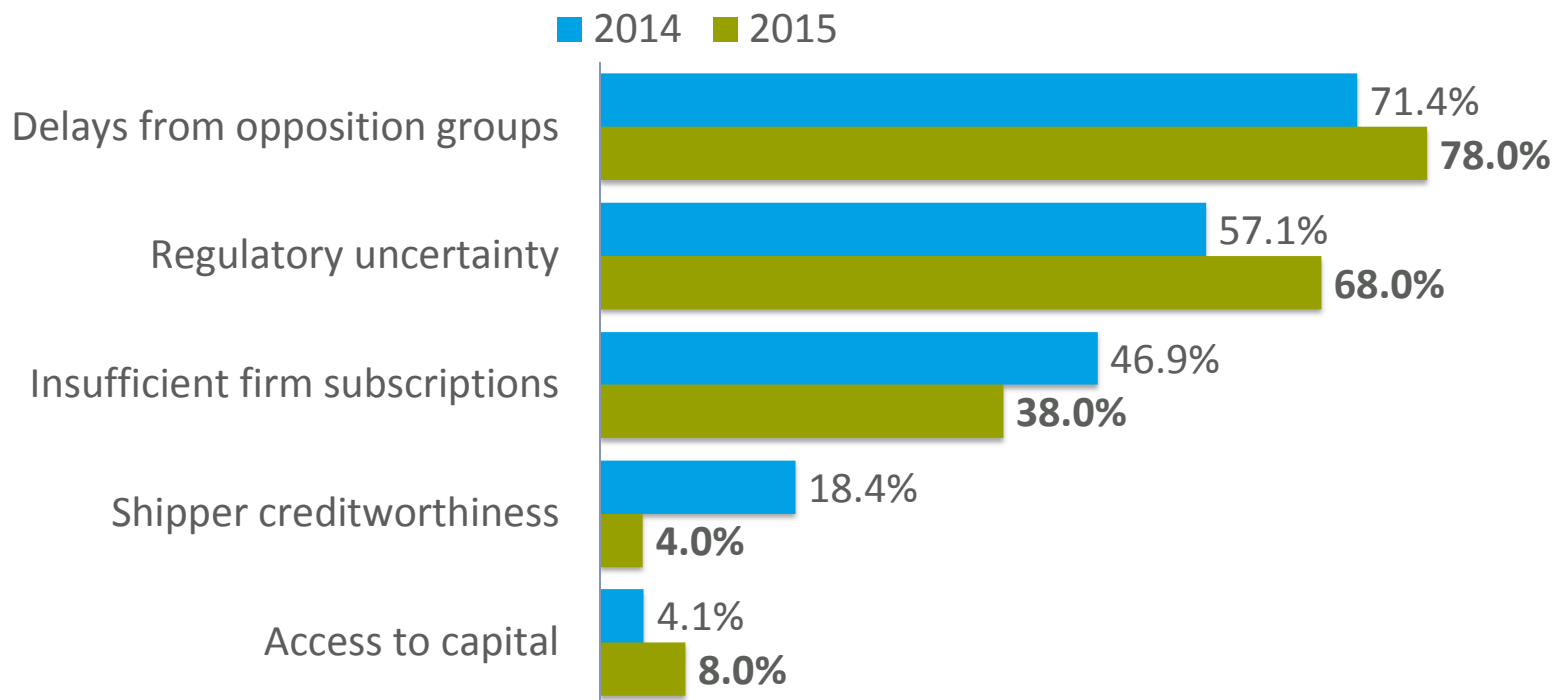


TOP ISSUES FACING THE PIPELINE INDUSTRY OVER THE NEXT THREE TO FIVE YEARS



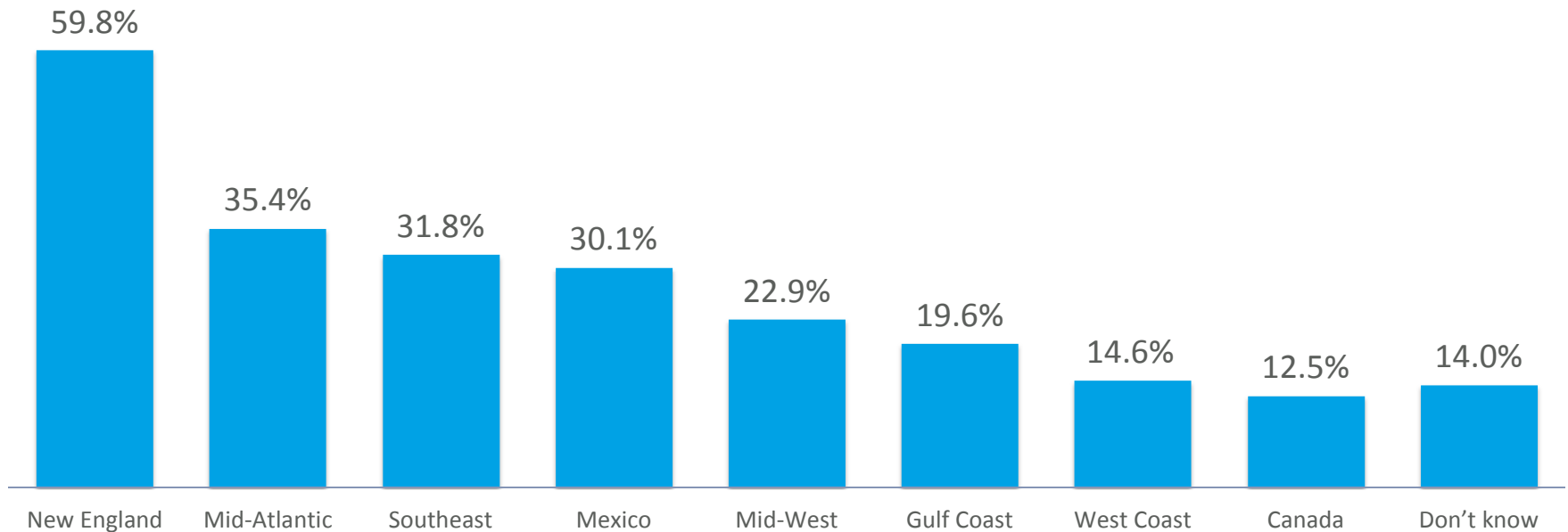
Q16. What do you see as the THREE most significant issues facing the natural gas pipeline industry during the next three to five years? Select three choices. **(Pipelines ONLY)***

MOST SIGNIFICANT BARRIERS TO THE CONSTRUCTION OF NEW PIPELINES



Q18. Which of the following TWO items are the most significant barriers of expansion associated with the construction of new pipeline capacity? Select two choices.
(Pipelines ONLY)*

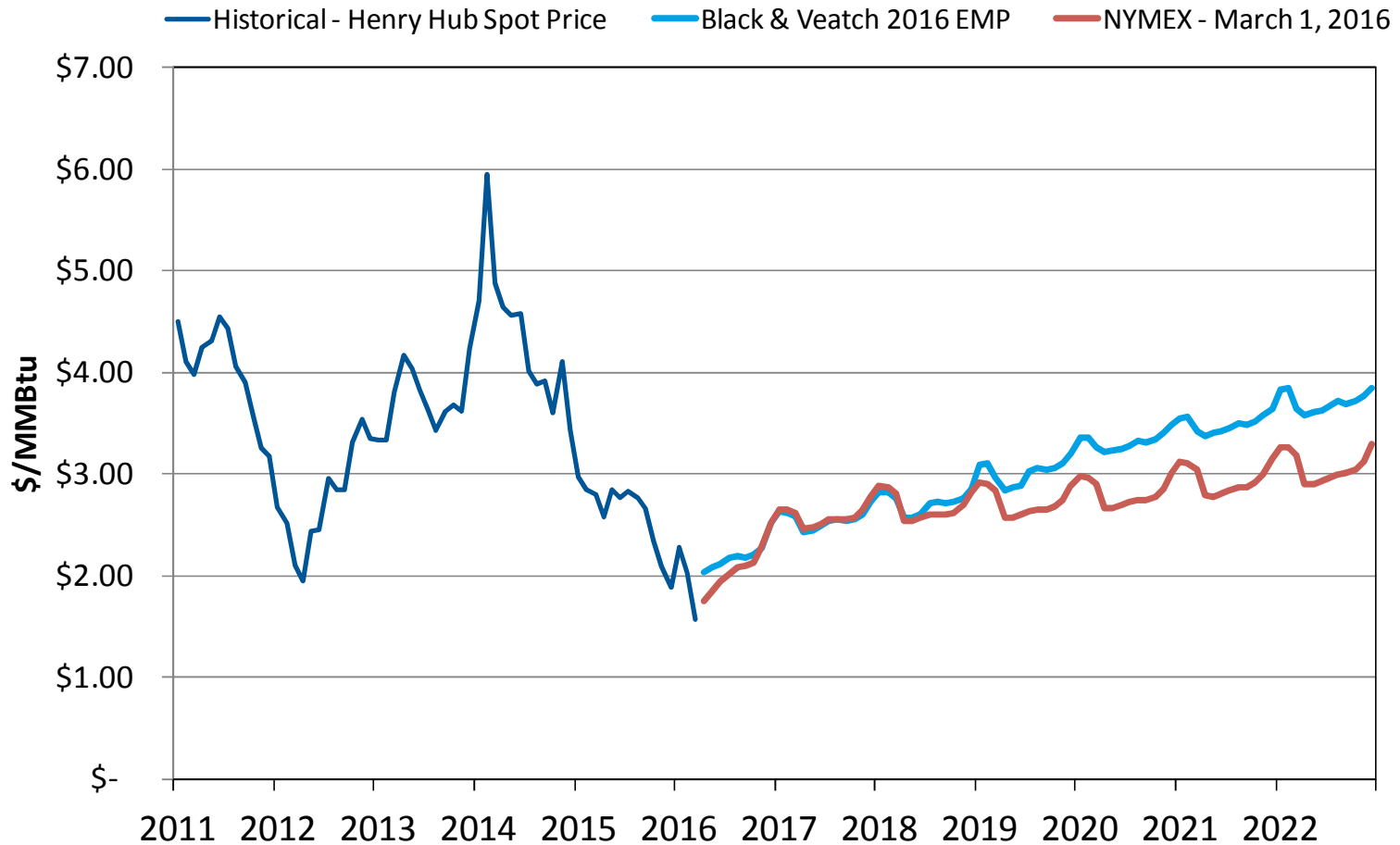
MARKETS IN NEED OF INCREMENTAL PIPELINE CAPACITY OVER NEXT FIVE YEARS



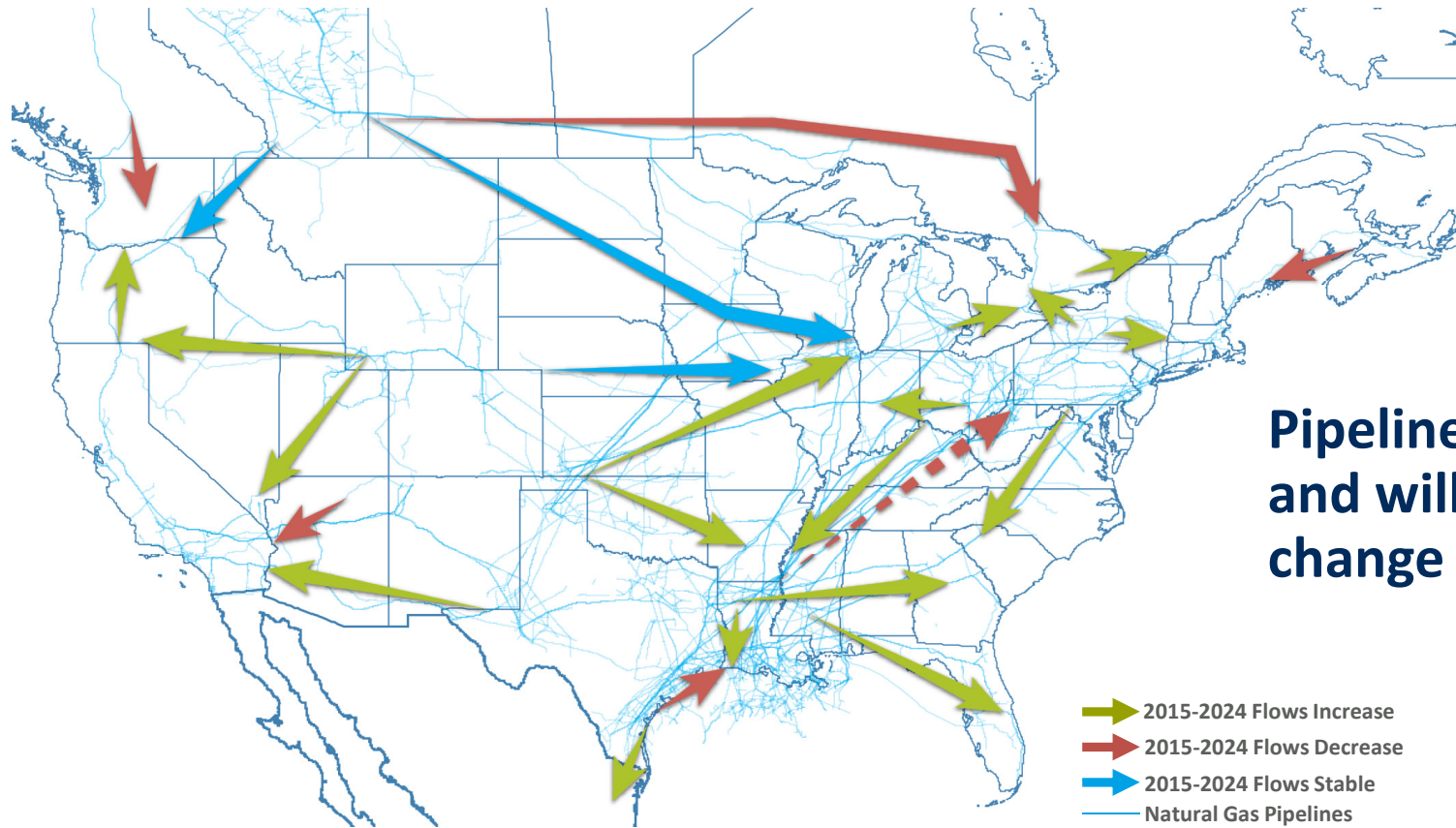
Q27. Which of the following markets will be in need of incremental natural gas pipeline capacity over the next five years? Select all that apply. (North American Respondents)



GAS PRICES EXPECTED TO MODERATE OVER THE NEXT FEW YEARS



CHANGING PIPELINE FLOWS WILL CHANGE SUPPLY RELIABILITY AND PIPELINE FLEXIBILITY



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