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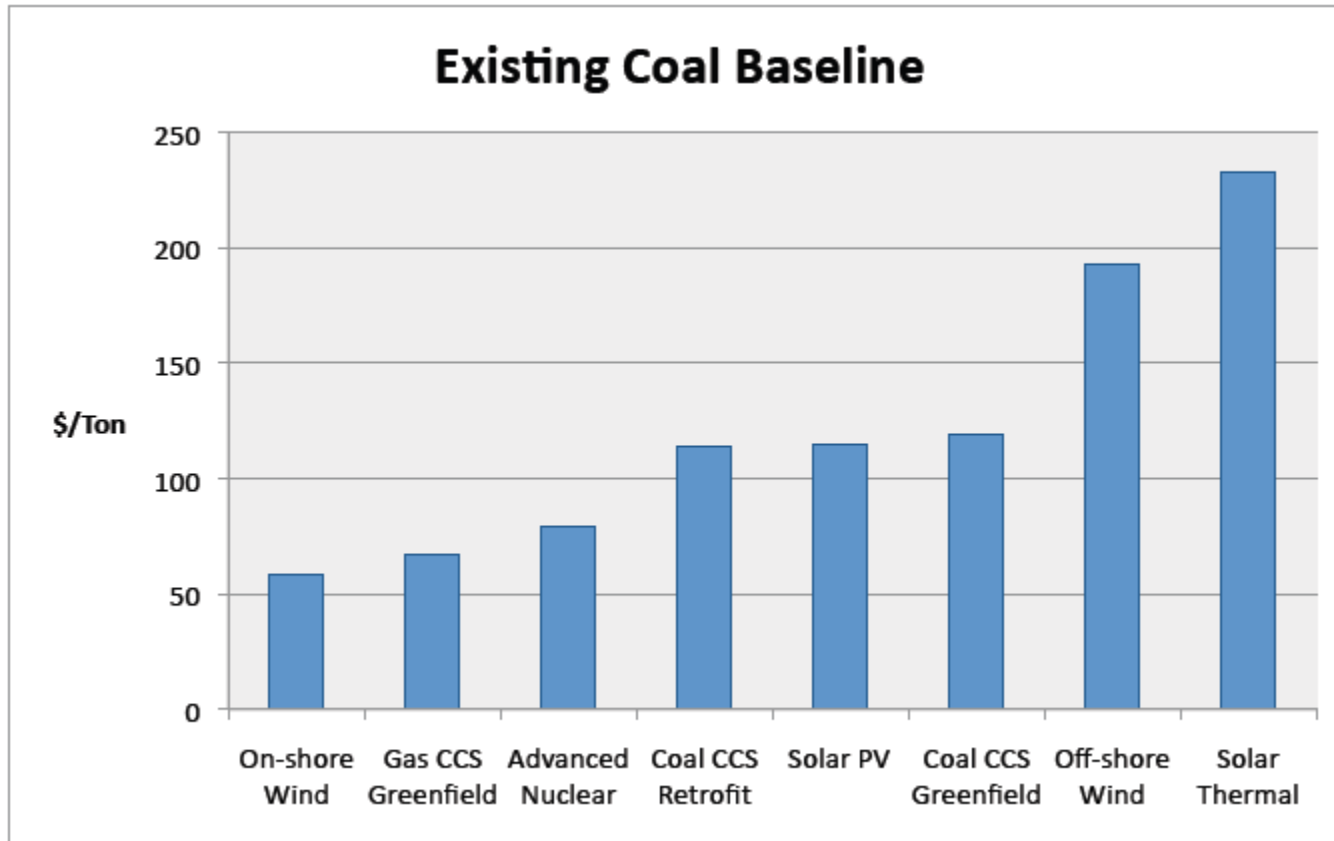


CCS and Natural gas



- 🌱 Comparison of CO₂ abatement cost for technologies required
- 🌱 10% decrease in investment cost upon doubling of the installed CSP capacity? (IEA CSP Roadmap)
- 🌱 Commercial CCS deployment in South Africa not before 2030

Cost comparison of abatement technologies



Cost of natural gas




International gas costs;

- Source shale gas USA: 5\$/MMBtu
- LNG : 10\$/MMBtu\

From IEA WEO 2013

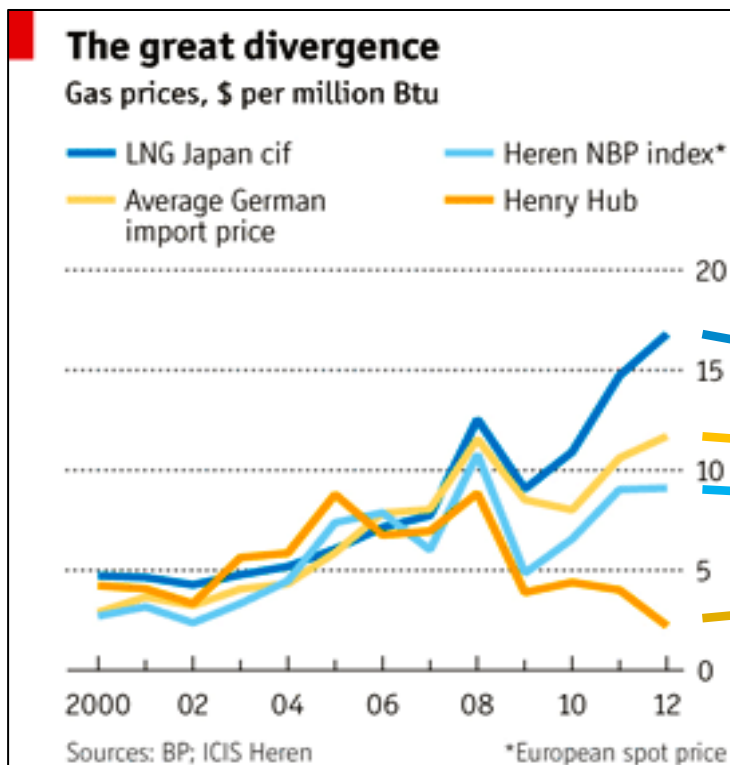
- Actual prices differ.

South Africa shale gas cost?

- Moderating gas prices and increasing coal prices combined with an increasing cost for carbon would make gas attractive.
-  Large infrastructure requirements

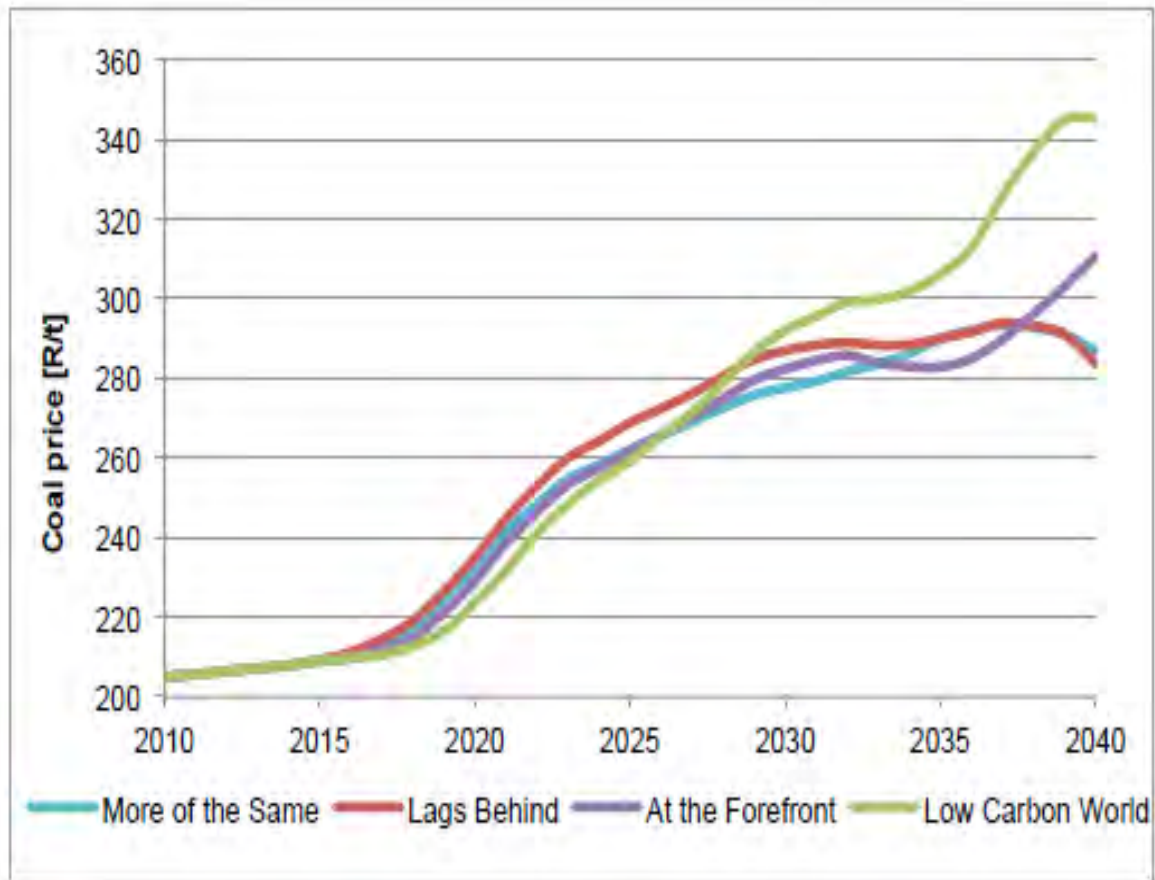
Possible natural gas price developments

- Market pressures lead to a decoupling of the gas price from the oil price within the next 5 years, as supply, particularly from unconventional shale sources, continues to rise faster than demand.



Convergence and lower average prices

Future coal prices in 2010 Rand





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