

## What does 2015 hold for the gas industry?



26 January 2015

In this article, **Charlie Durr, Vice President, LNG at Wood Group Mustang**, shares his views on what 2015 holds for the gas industry. He believes the LNG industry will come up with new technical and commercial solutions to maximise its operations and match efficiently the current global LNG marketplace.

As Niels Bohr once said “It is extremely difficult to make accurate predictions, especially about the future.” In any case, there are trends that one can see based on history. I once wrote a paper with the basic theme that “history does not repeat itself but it does rhyme”.

There are now all sorts of issues that LNG developers will worry about- **oil price drop, Russia and natural gas, some startup issues on existing projects** etc.

What I see is a lot of projects doing soul searching on the viability of their projects. However as LNG projects have a long development cycle, most projects will continue. If LNG projects were overly influenced by disturbances in the energy market I would venture that no LNG projects would ever be built. Hence, most LNG Projects will continue and wait for the windows of opportunity for proceeding with a funding decision.

People that know me will remember that I often say that in good times, It is not that great and in bad times it is not that bad. One needs to have a long term view as the LNG business is in effect a long term business in which buyers and sellers work out commercial solutions.

During one of my presentations to the CEO of my company at that time, the CEO asked where I thought the price of oil was going. I answered that if I know the answer to that question, do you think I would be working here? So excuse my lack of a specific prediction for 2015 as I firmly believe that all will be ok in the LNG business in the long term. The LNG business is populated with smart innovative people who will seek commercial and technical solutions to match the marketplace. Hence, in the long term, there will be a lot of activity in the traditional Base load business both onshore and offshore, intermediate size projects and small LNG projects. I look forward to the new solutions that the LNG industry will come up with.

*This article came courtesy of **Charlie Durr, Vice President, LNG for Wood Group Mustang**. Charlie leads the company’s LNG business and strategy for providing process technology-neutral development options and solutions.*

**What commercial and technical solutions will the LNG business come up with?** Let us know your thoughts below.

We will be discussing the future of the gas industry at [Gastech Singapore](#) in October this year.