



**Scottish and Southern  
Energy**

**Winter Outlook - 2006/07**

**Rhys Stanwix**  
Head of Energy Strategy



# Introduction

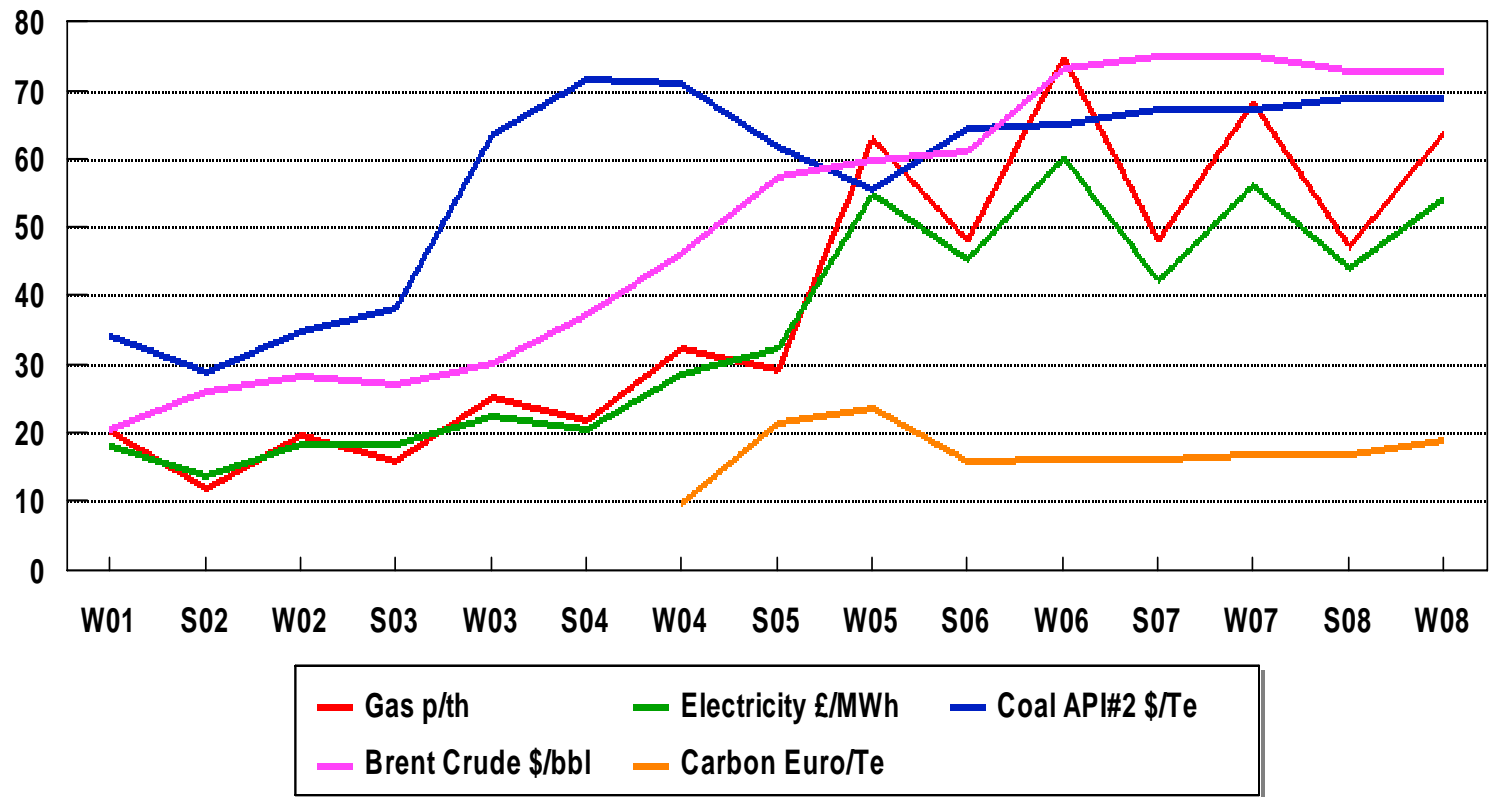
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- Gas
- Gas Storage
- Generation
- Conclusions



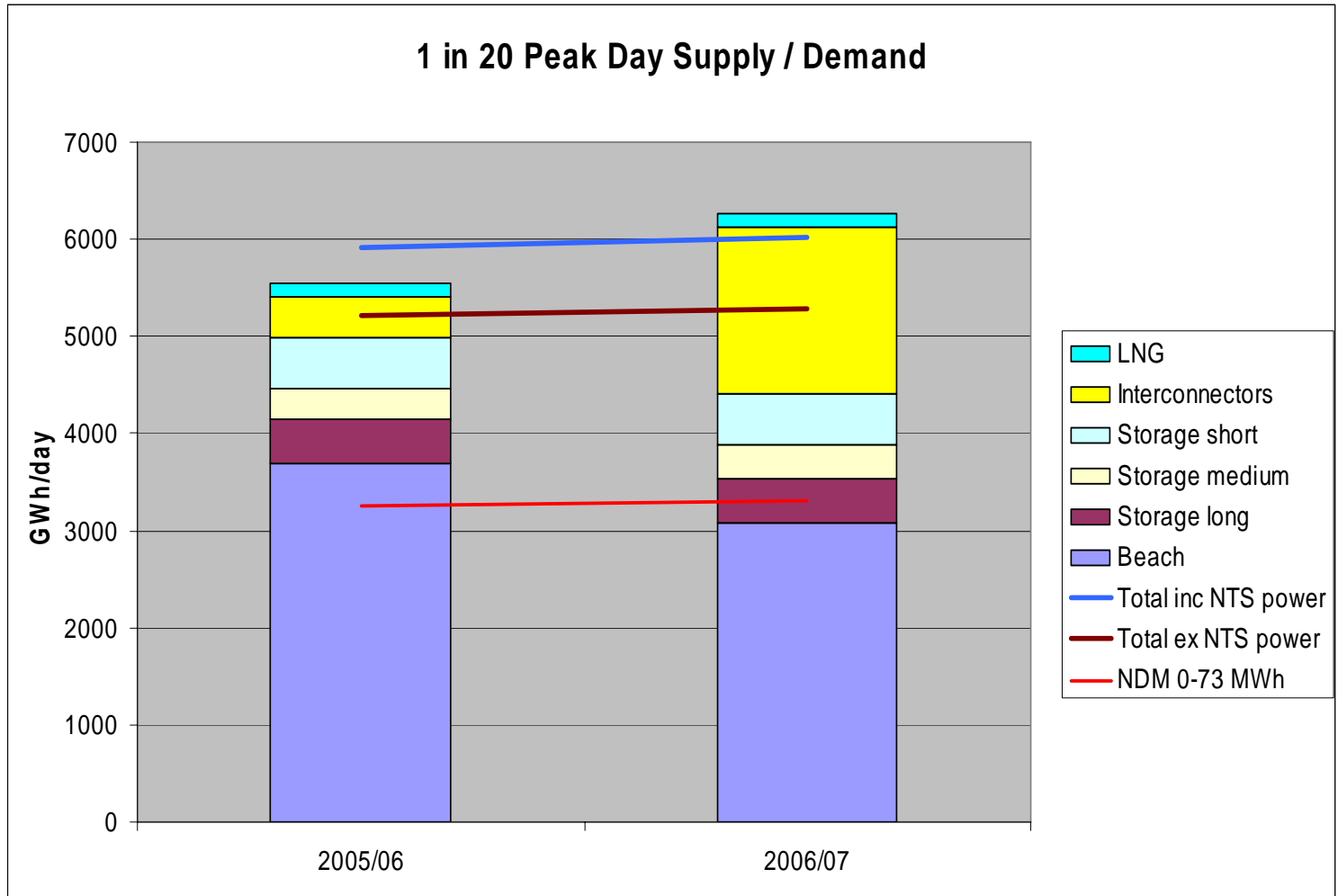
# Commodity Prices

Commodity Prices Oct 01 - Mar 09  
Historic plus Market on 04/07/06





# Gas Supply / Demand Balance





# Gas market issues

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- New infrastructure - commissioning and utilisation.
- Removal of duty on oil should increase use.
- Demand side response - especially from non power sector.



# Gas Storage

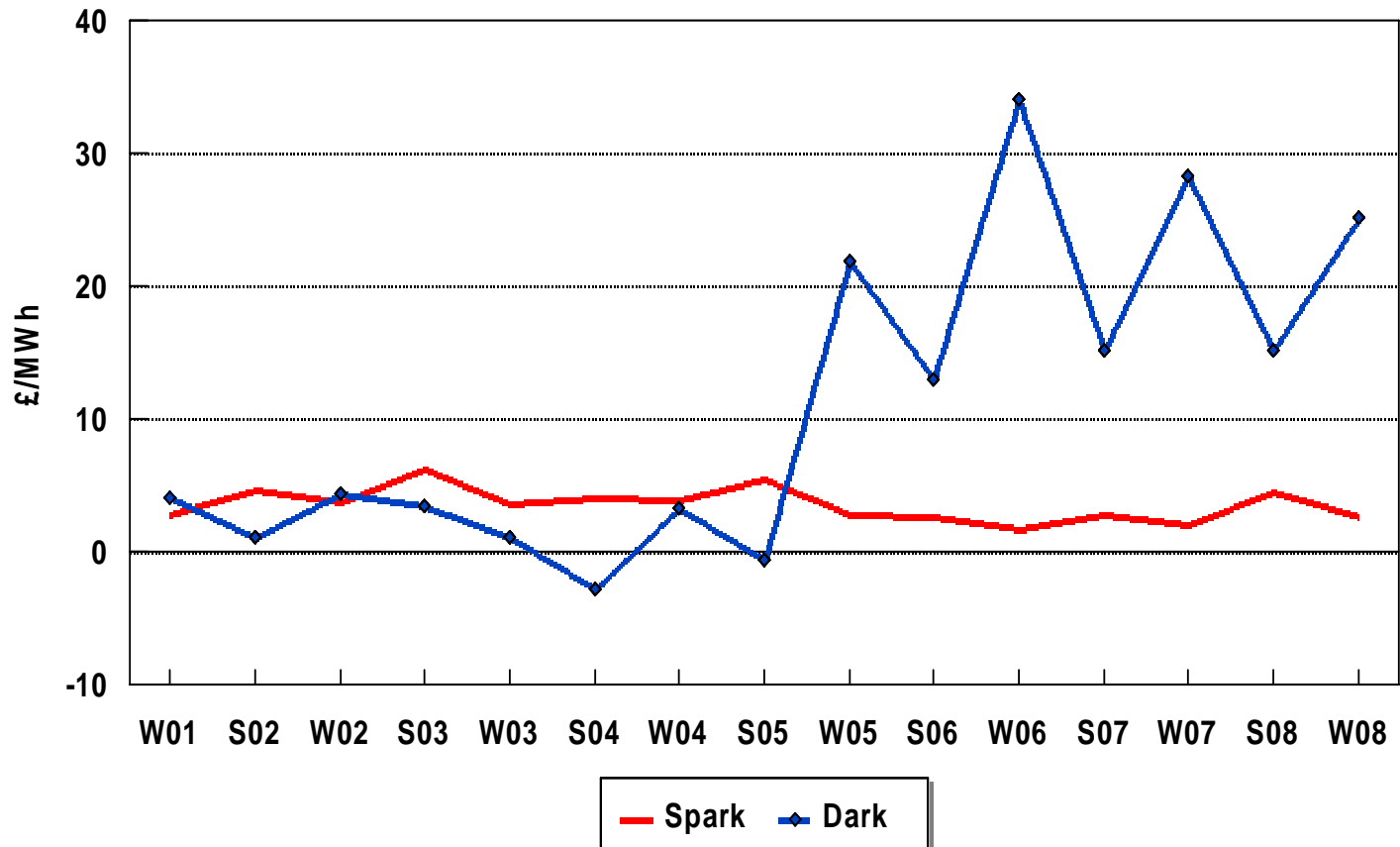
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- First full year for Humbly Grove.
- Storage represents 12% of potential winter imports.
- Storage monitors.



# Generation Margins

Generation Margins Oct 01 - Mar 09





# Electricity Supply / Demand Balance





# Generation Operation

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- Coal likely to operate at high load factors
- Merchant CCGTs likely to operate mid merit
- Plant availability and emissions limits are key issues
- Effect of P194?



# Conclusions

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- Gas - next winter should be no worse than last.
  - New infrastructure
  - Demand response
- Gas Storage - market is providing adequate storage given demand side response.
- Electricity - next winter could be tighter than last.
  - Plant availability.