

Summer Outlook Seminar

Ofgem

30 April 2008

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Centrica Storage Limited

The logo for Centrica Storage, featuring the word "centrica" in a bold, blue, sans-serif font with a small orange dot above the letter 'i', and the word "storage" in a smaller, blue, sans-serif font below it. The logo is set against a white rectangular background.

centrica
storage

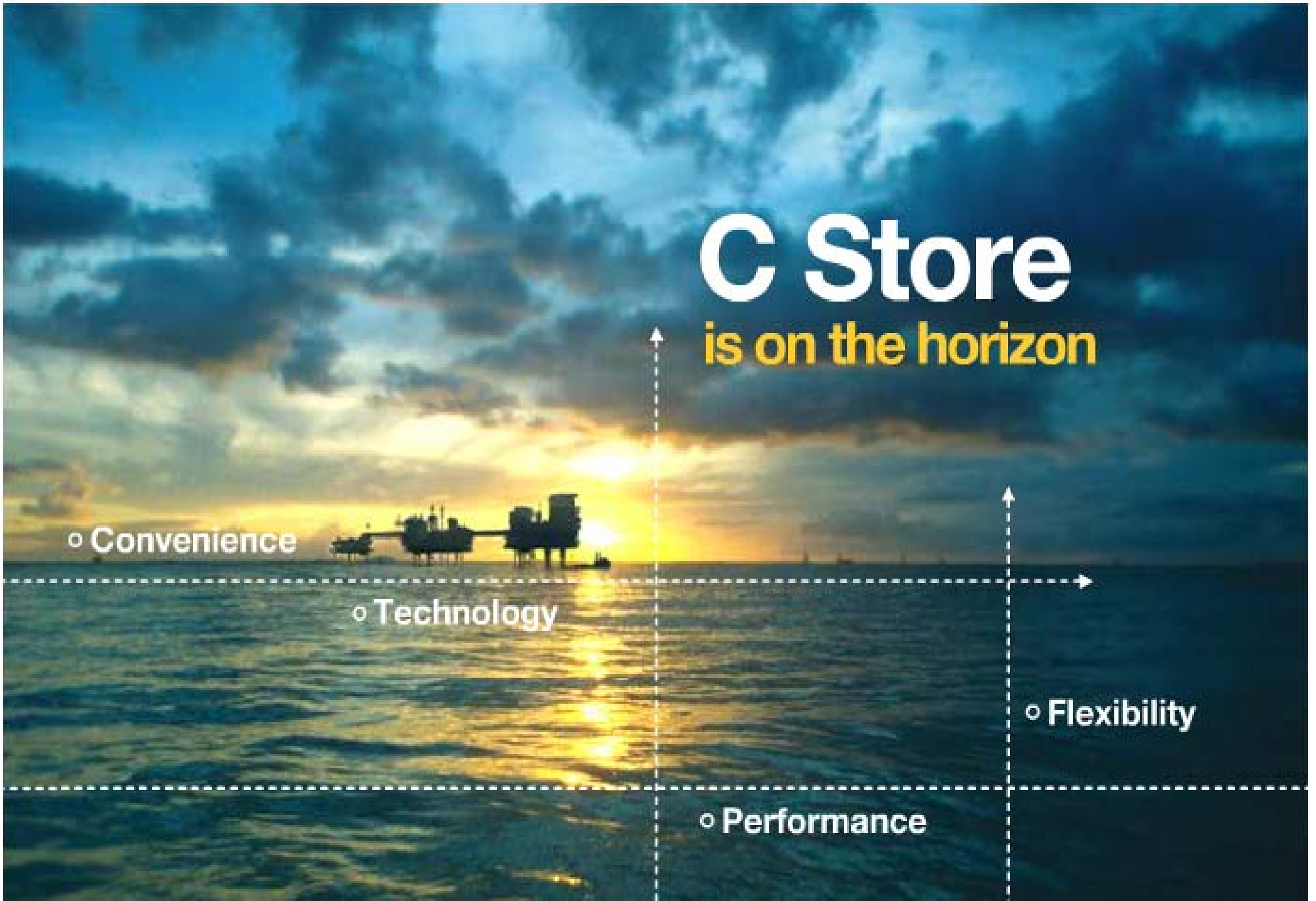
C Store is on the horizon

◦ Convenience

◦ Technology

◦ Flexibility

◦ Performance



CSL Product Offering

SSC Services for 2009/10

S STORE - 67 day duration product – Delivered at Easington

- Within day service (the existing service)
- Day ahead service

C STORE - 67 day duration - Entry Paid product

- Within day service
- Day ahead service

Additional space, gas in store and interruptible products

Offered
under
terms of
SSC

Incremental Services

V STORE - Virtual Storage offering

All customers will have the opportunity to purchase one or more of these services

Overview of CSL Services

C STORE



NBP



Easington



Rough

S STORE



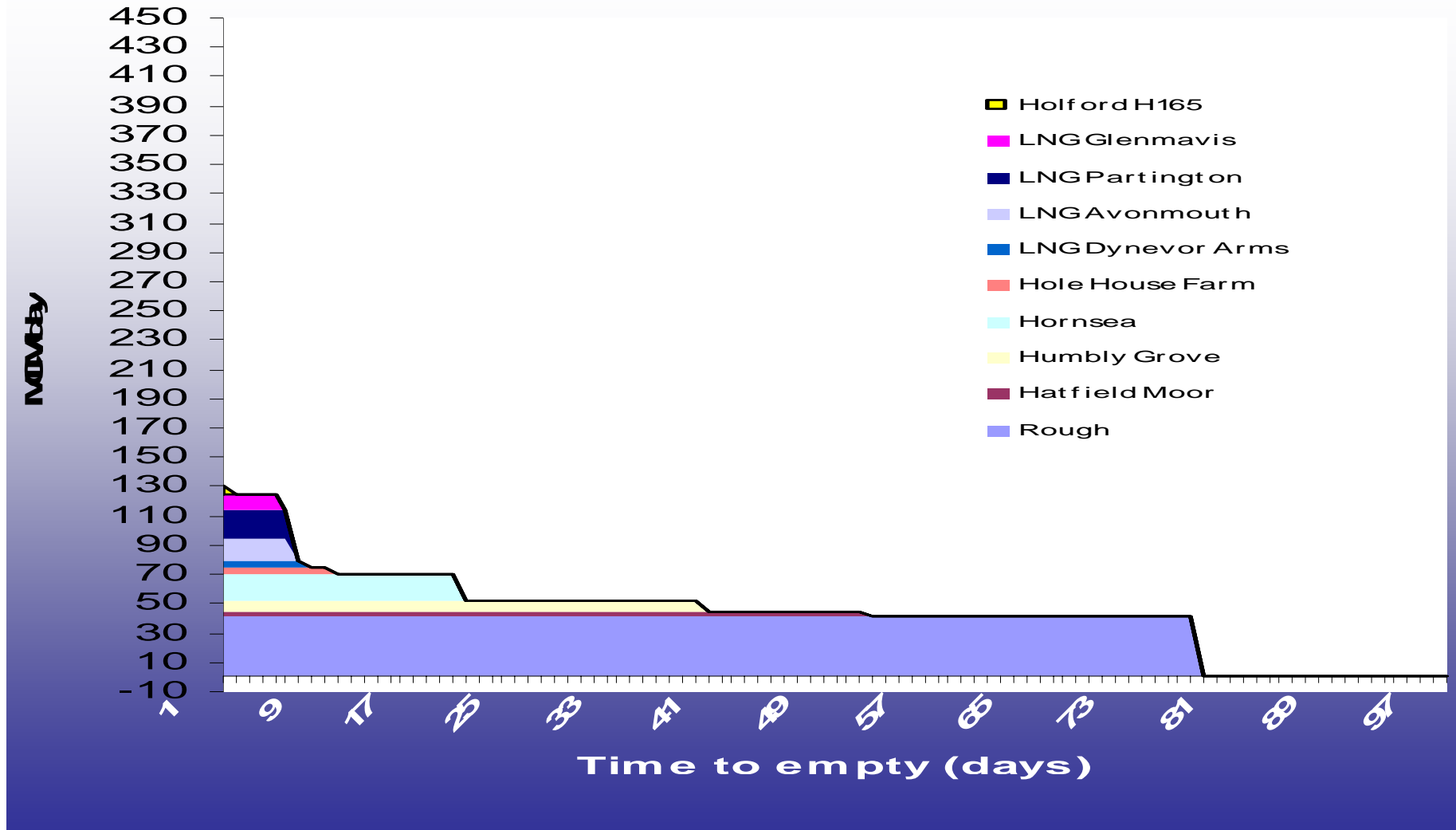
A formal consultation to change our regulated contract to offer these services will be published early May

- Role of Different Storage Facilities
- Winter Review 2007
- Summer Demand
- Summer Supply
- Storage Wrap Up

**FLEXIBILITY – CONVENIENCE – TECHNOLOGY – PERFORMANCE
CHOICE**

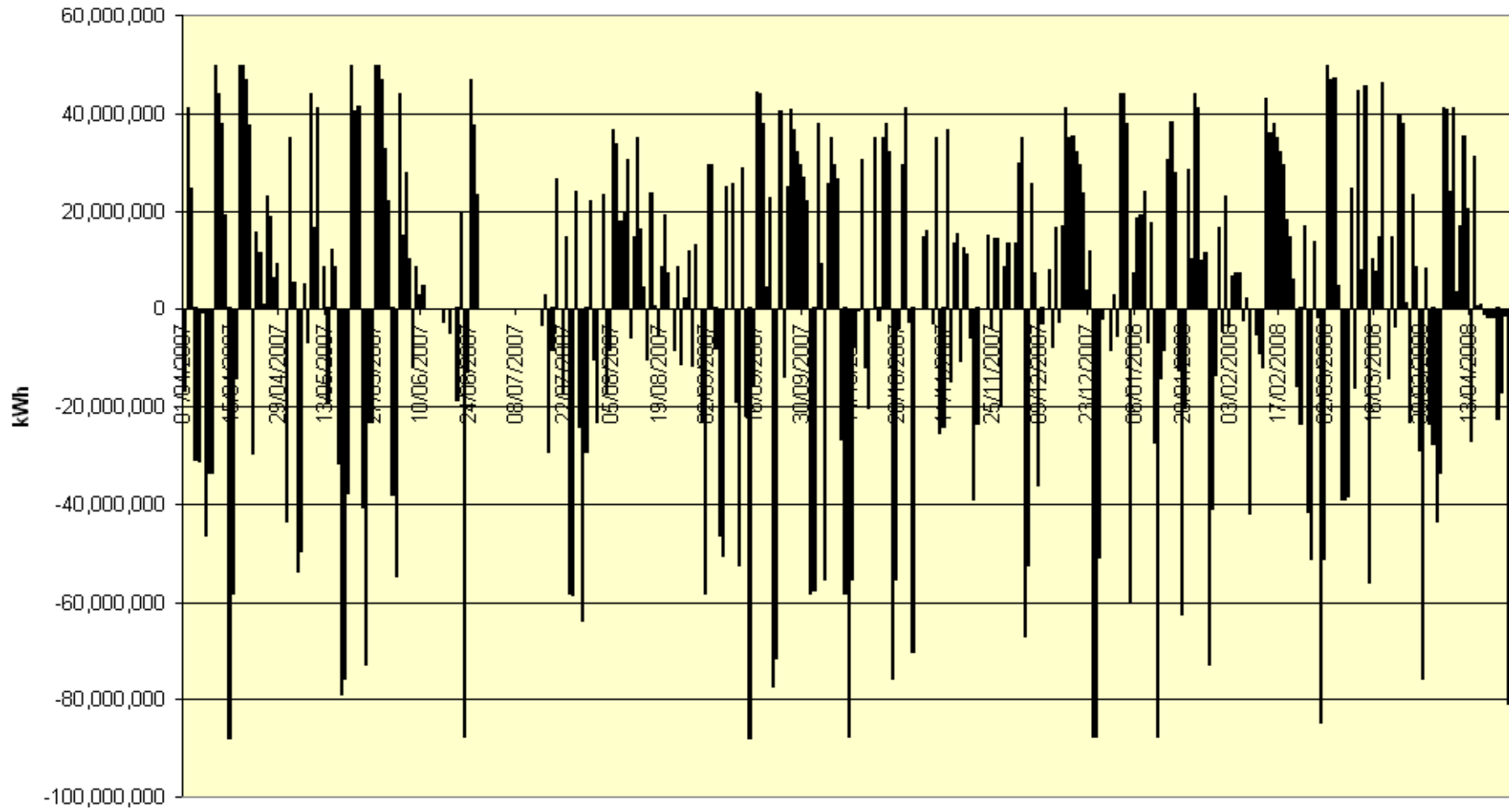
Role of Different Storage Facilities

2007 UK Gas Storage



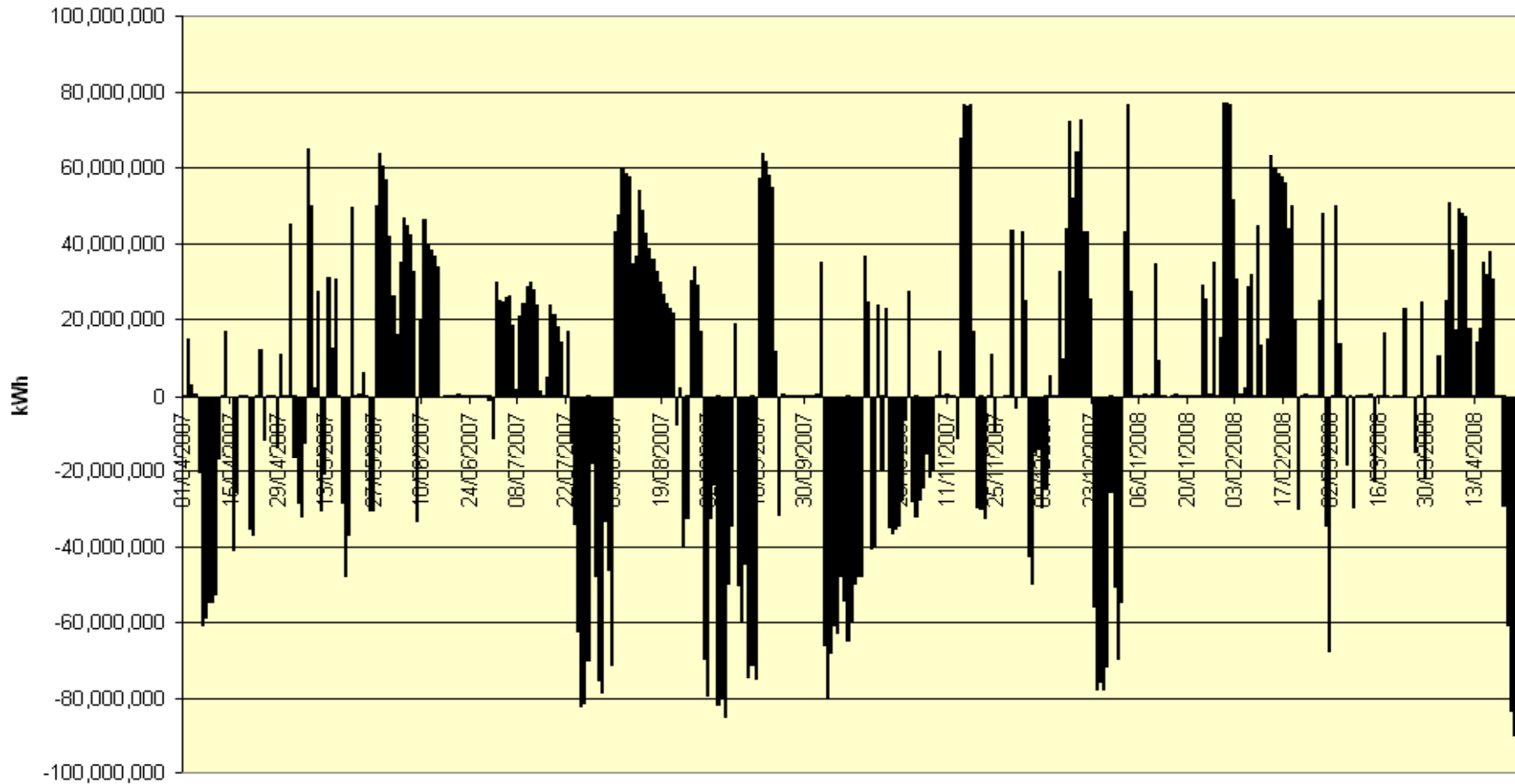
Role of Storage (1) – Holehouse Farm

Holehouse Farm



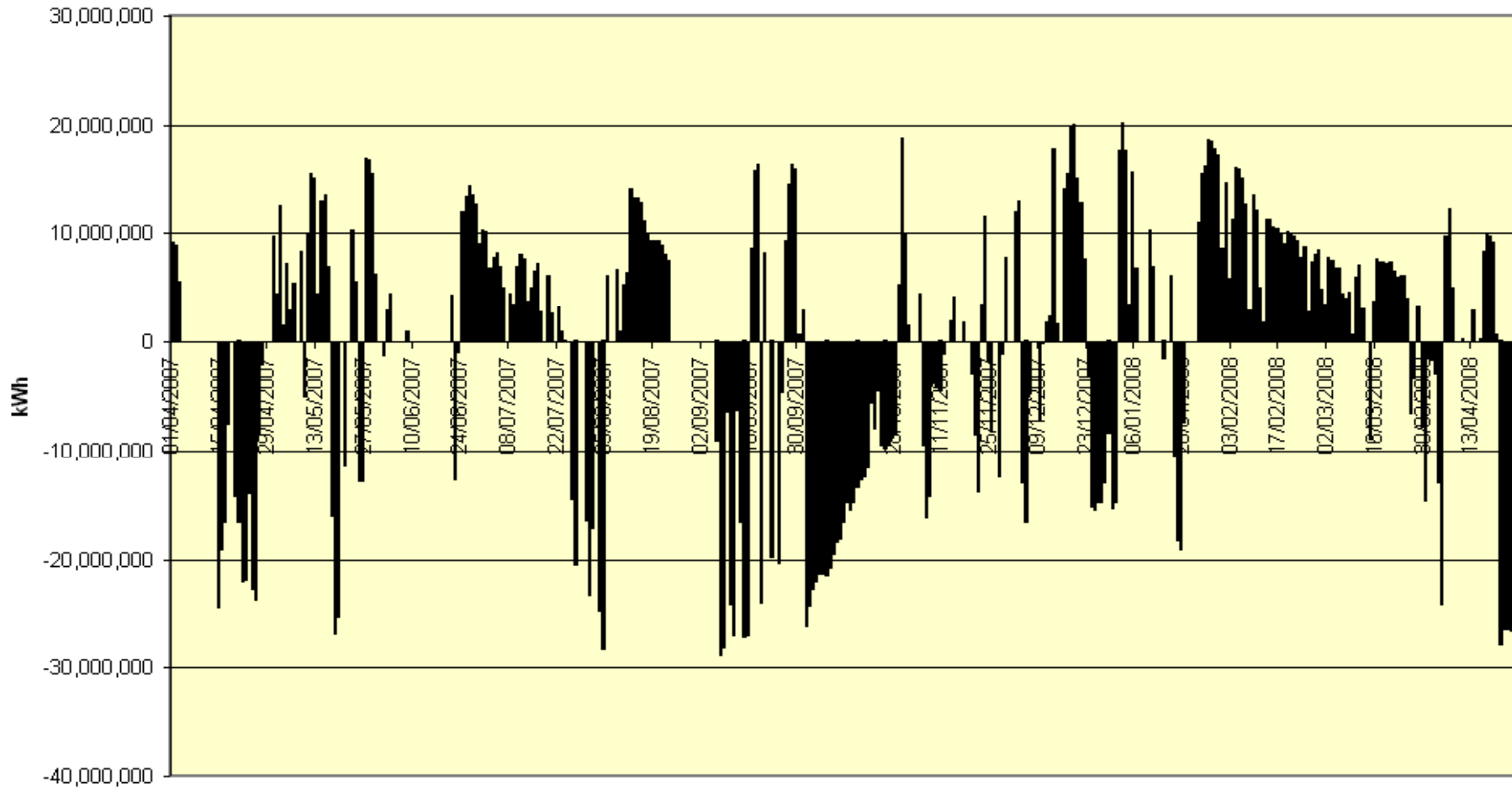
Role of Storage (2) – Humbly Grove

Humbly Grove



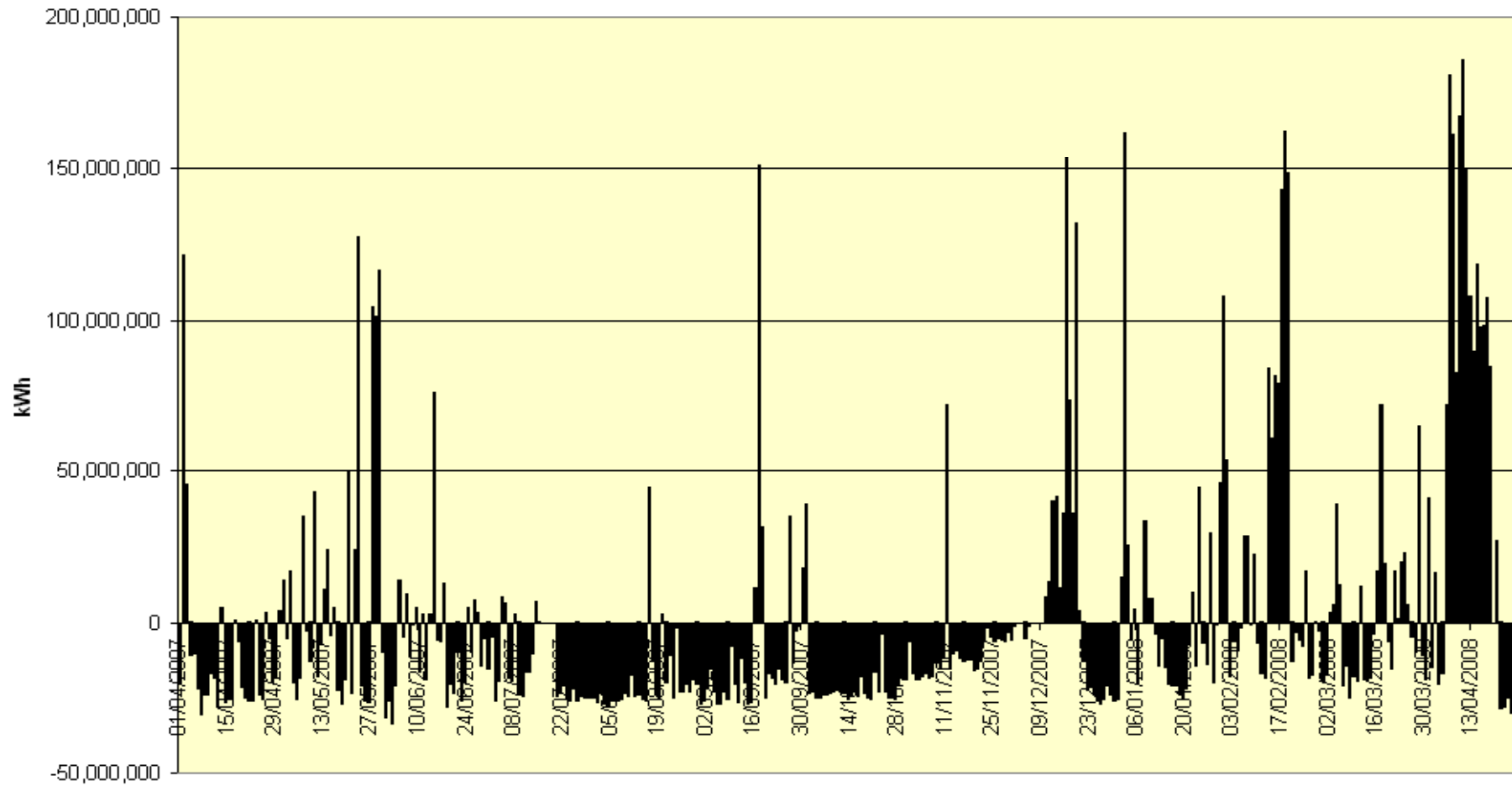
Role of Storage (3) – Hatfield Moor

Hatfield Moor

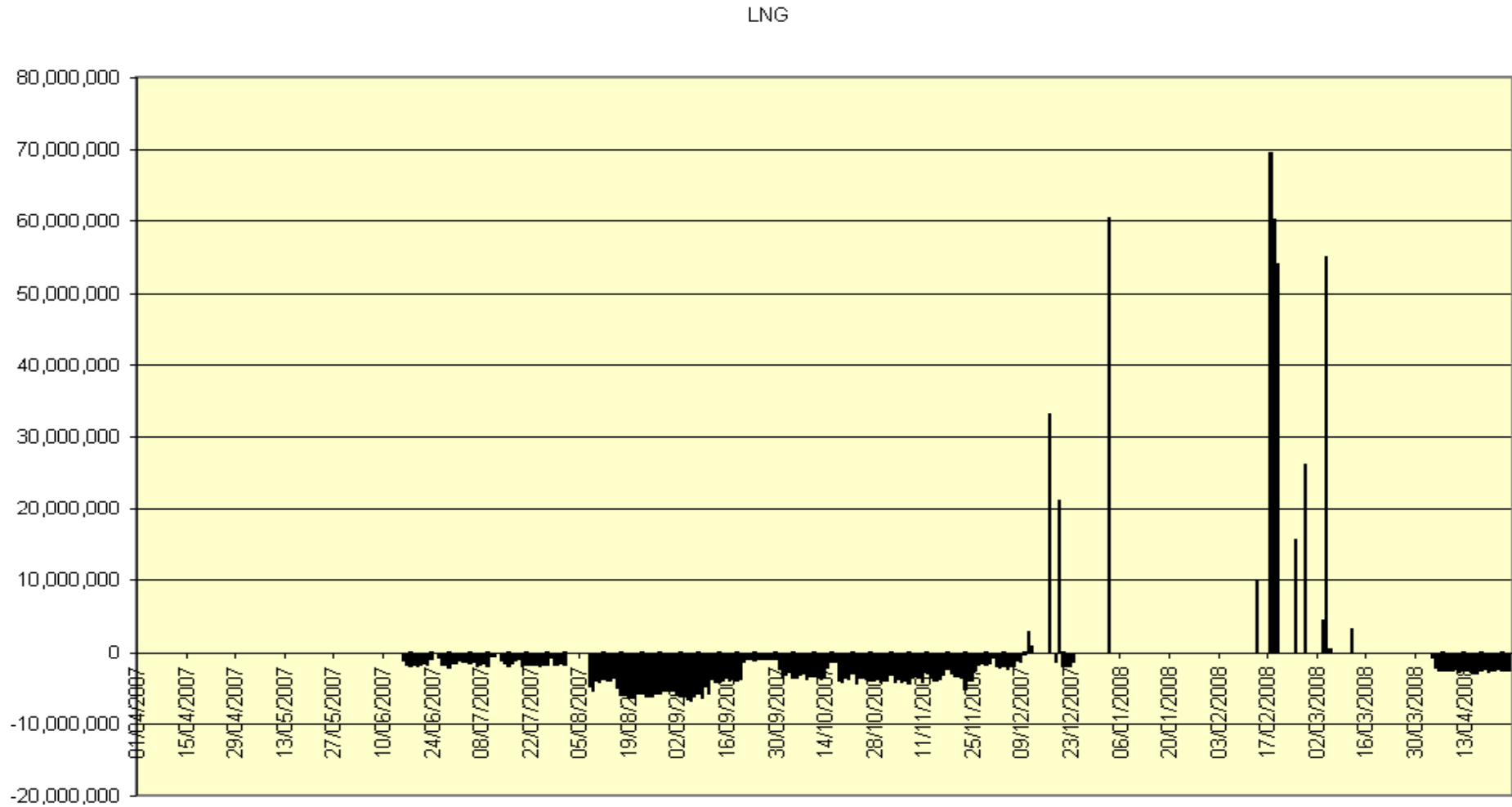


Role of Storage (4) - Hornsea

Hornsea

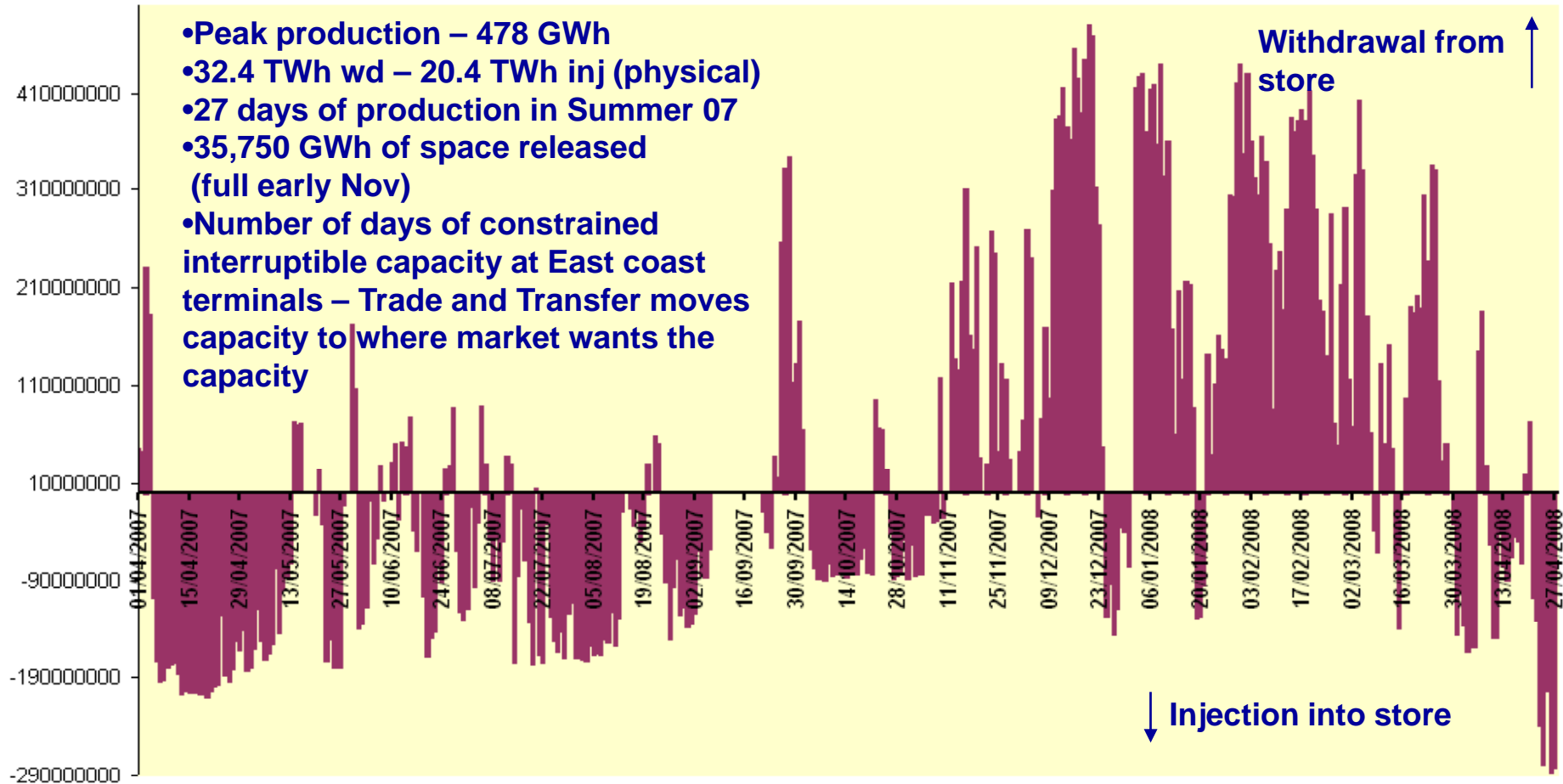


Role of Storage (5) – Peak Shaving LNG

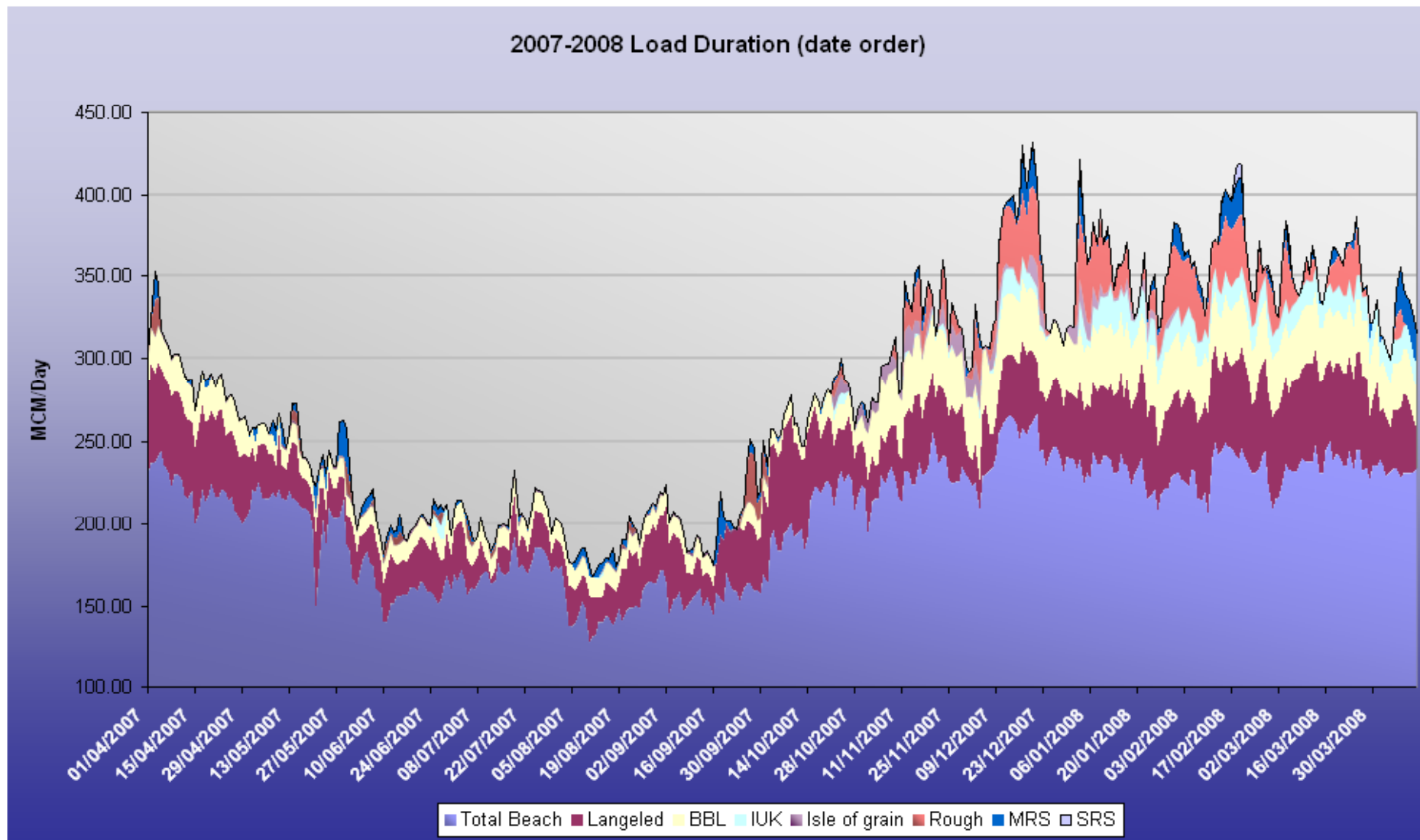


Winter Review 2007

Rough Physical Stock Movements 2007/8

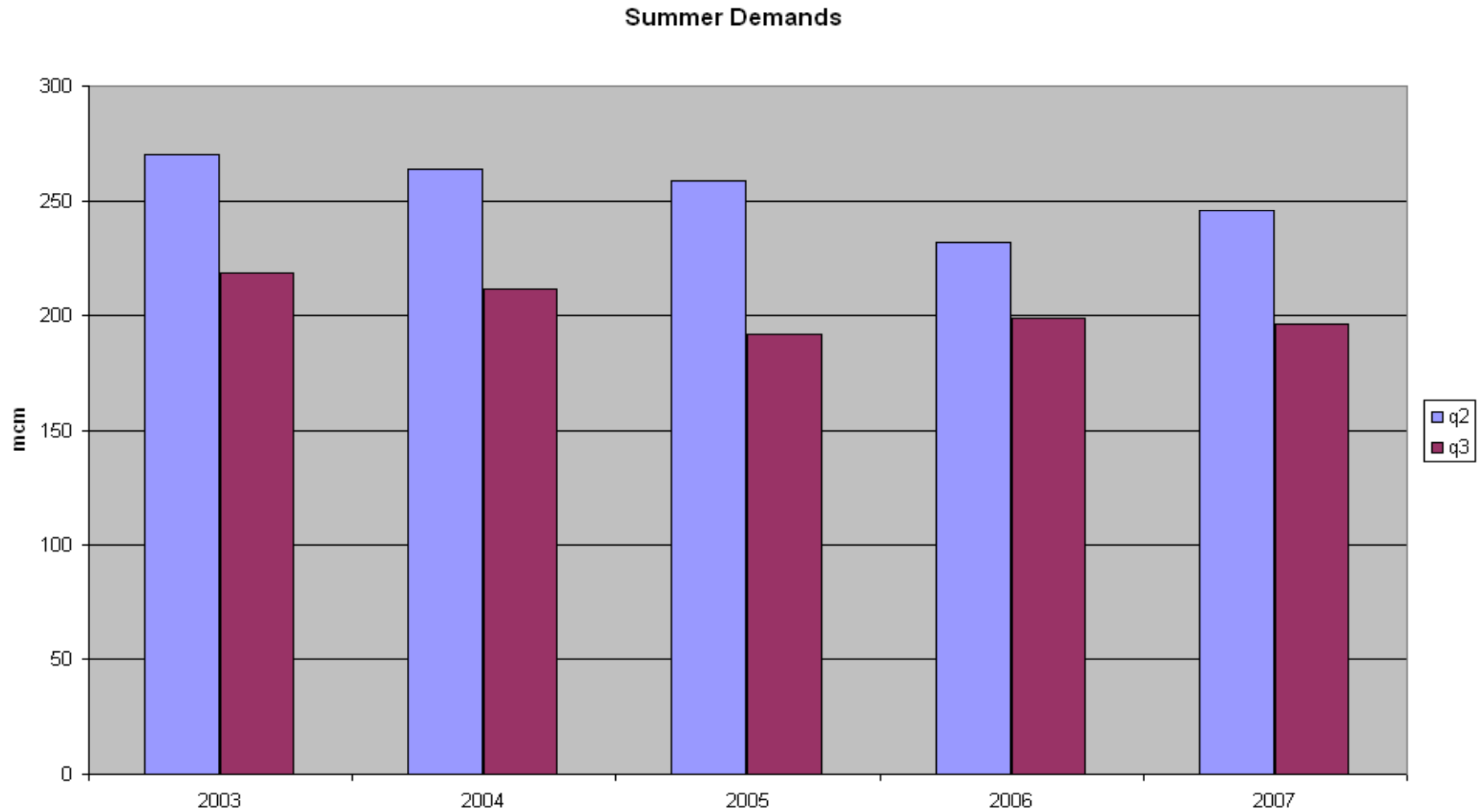


Winter Actual Load Duration Curve



Summer Demand

– How much gas does the network require?





What Factors Impact on Summer Demand?

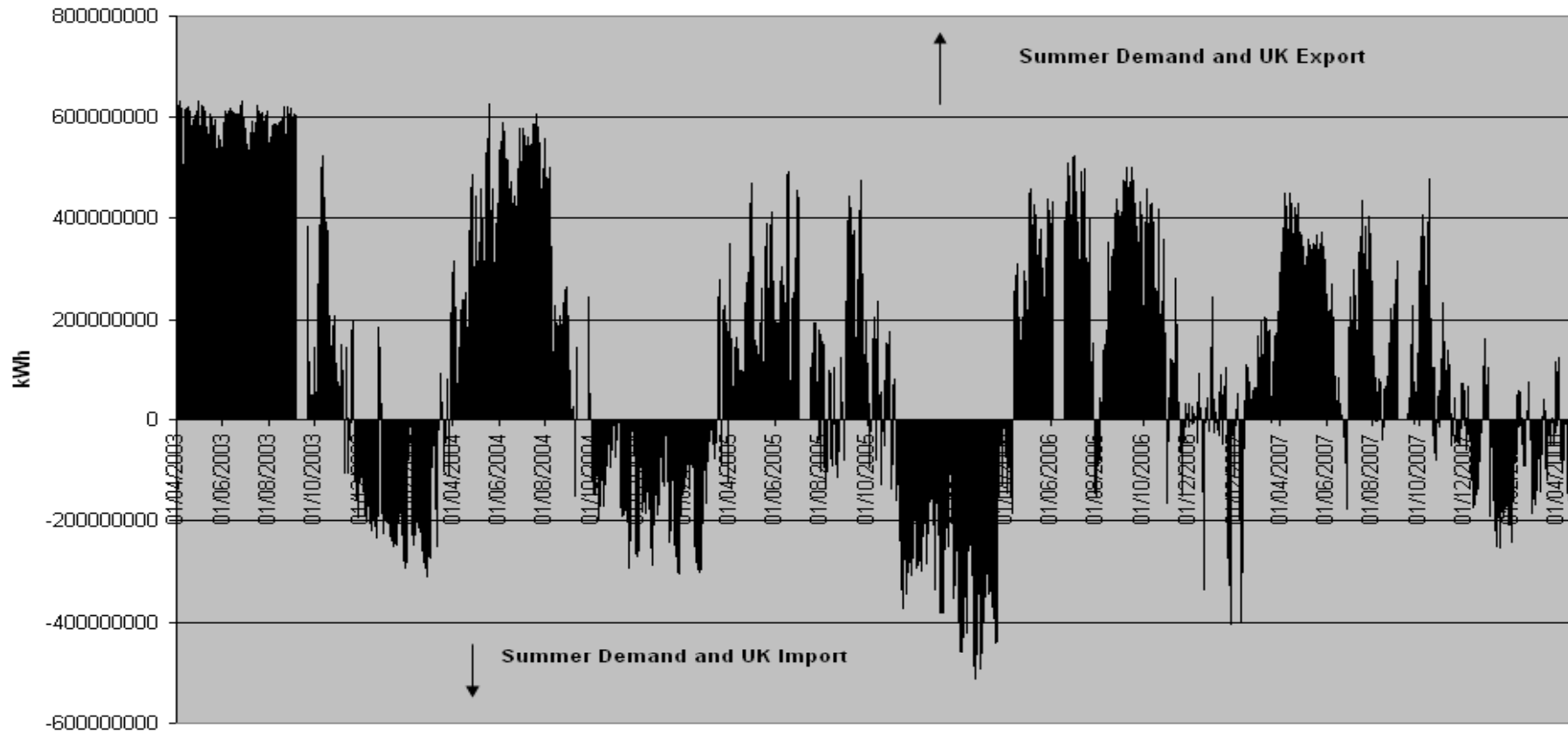
1. Weather Sensitive Load
 - How warm will it be?
2. IUK Exports to the Continent
 - What demand is there for UK exports to the Continent?
 - How full is European Storage?
3. Power load from CCGTs
 - Impact of higher carbon emissions
 - Environmental schemes - LCPD
4. Storage Injections
 - How full is storage?
5. Irish Interconnection and I&C Load

1. Weather Sensitive Load



2. (a) IUK Flows

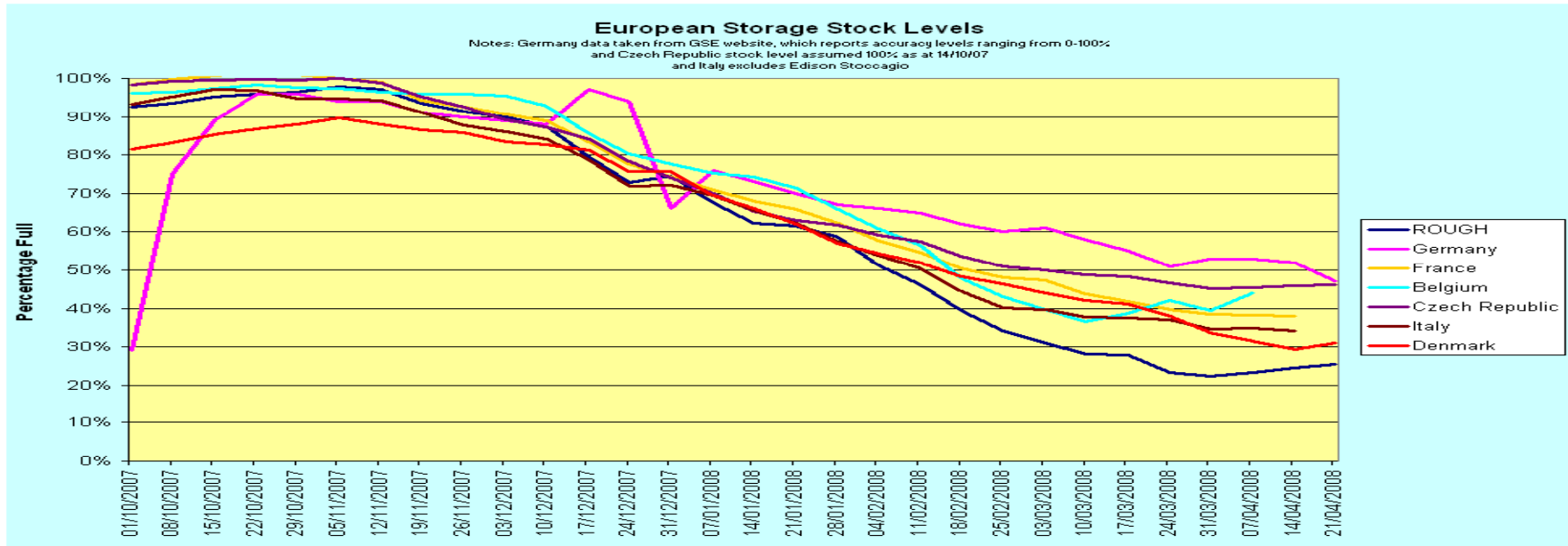
IUK Flows - 2003 >



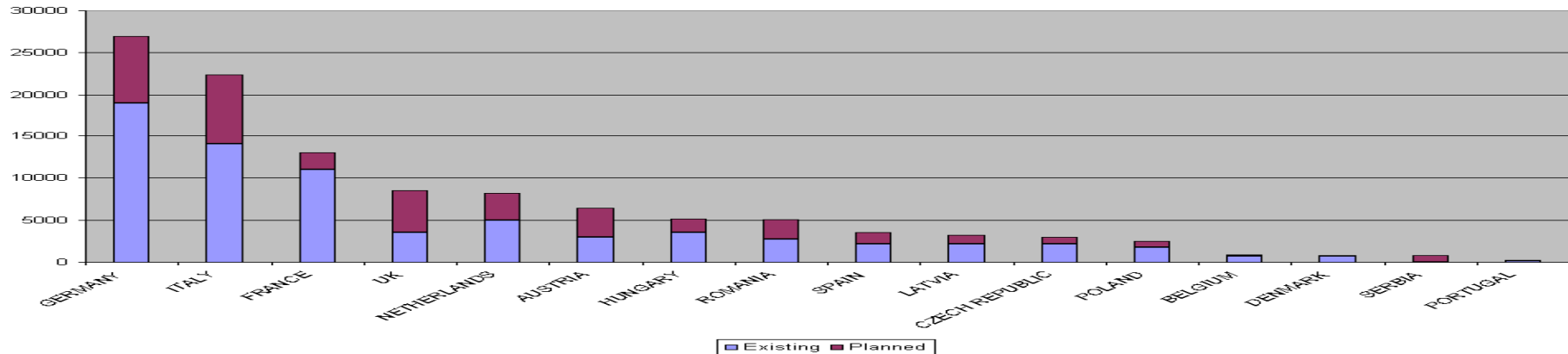
Where does gas through IUK go?

What gas does it displace?

2. (b) European Storage

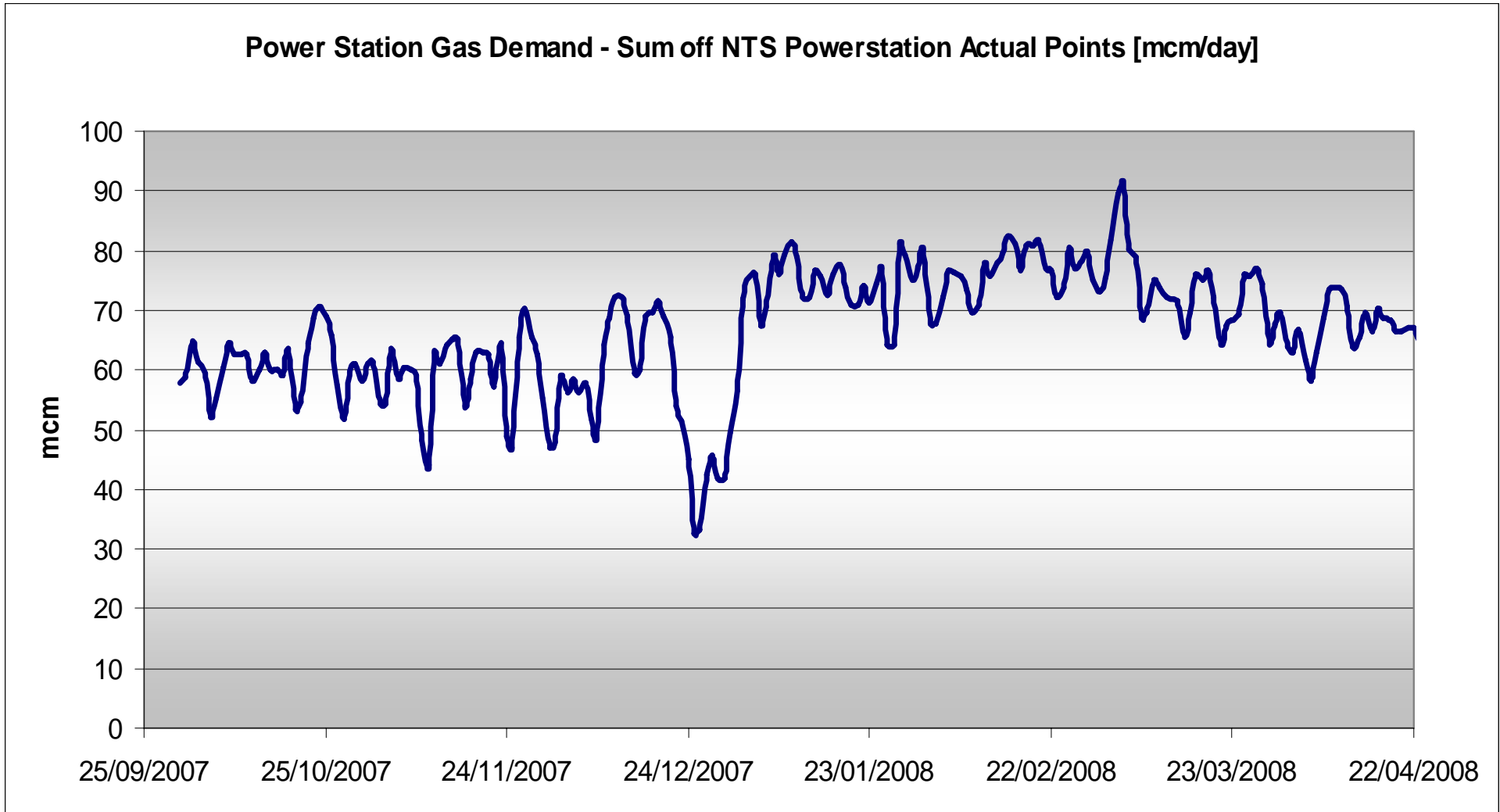


Existing and Planned Storage to 2015



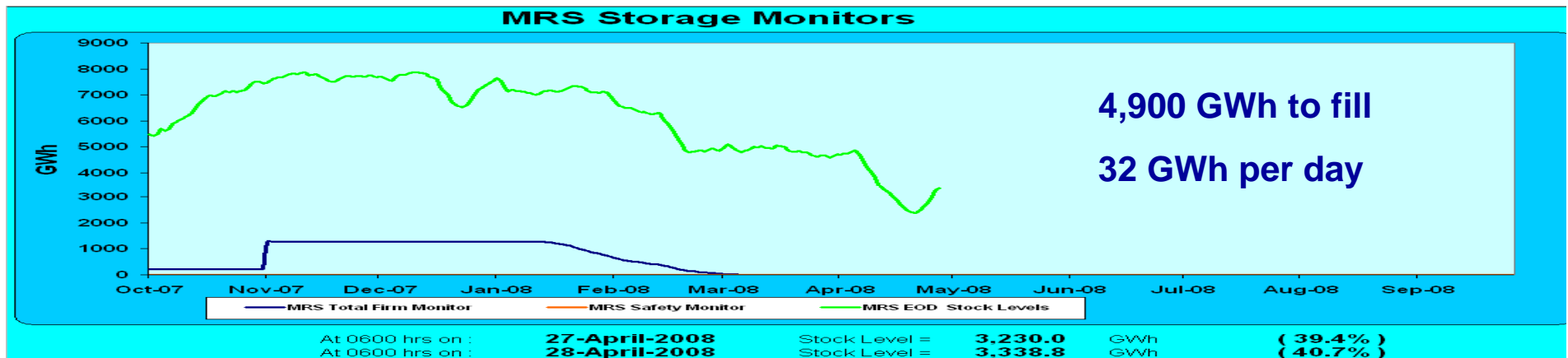
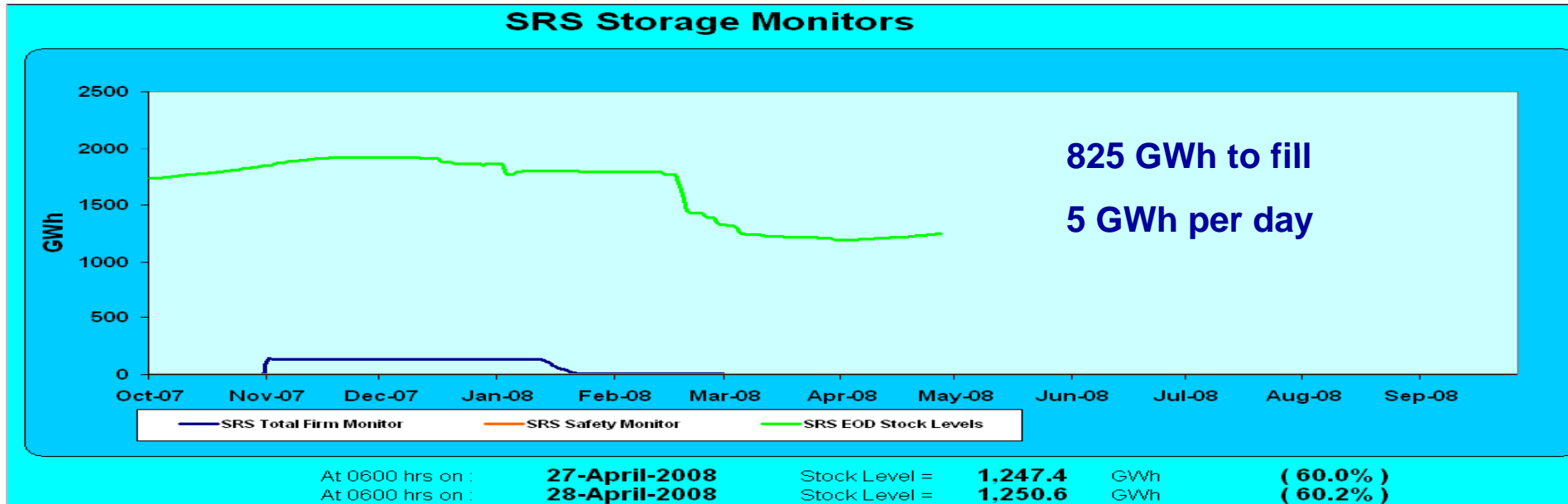
Source: <https://transparency.gie.eu.com/>

3. Power Load

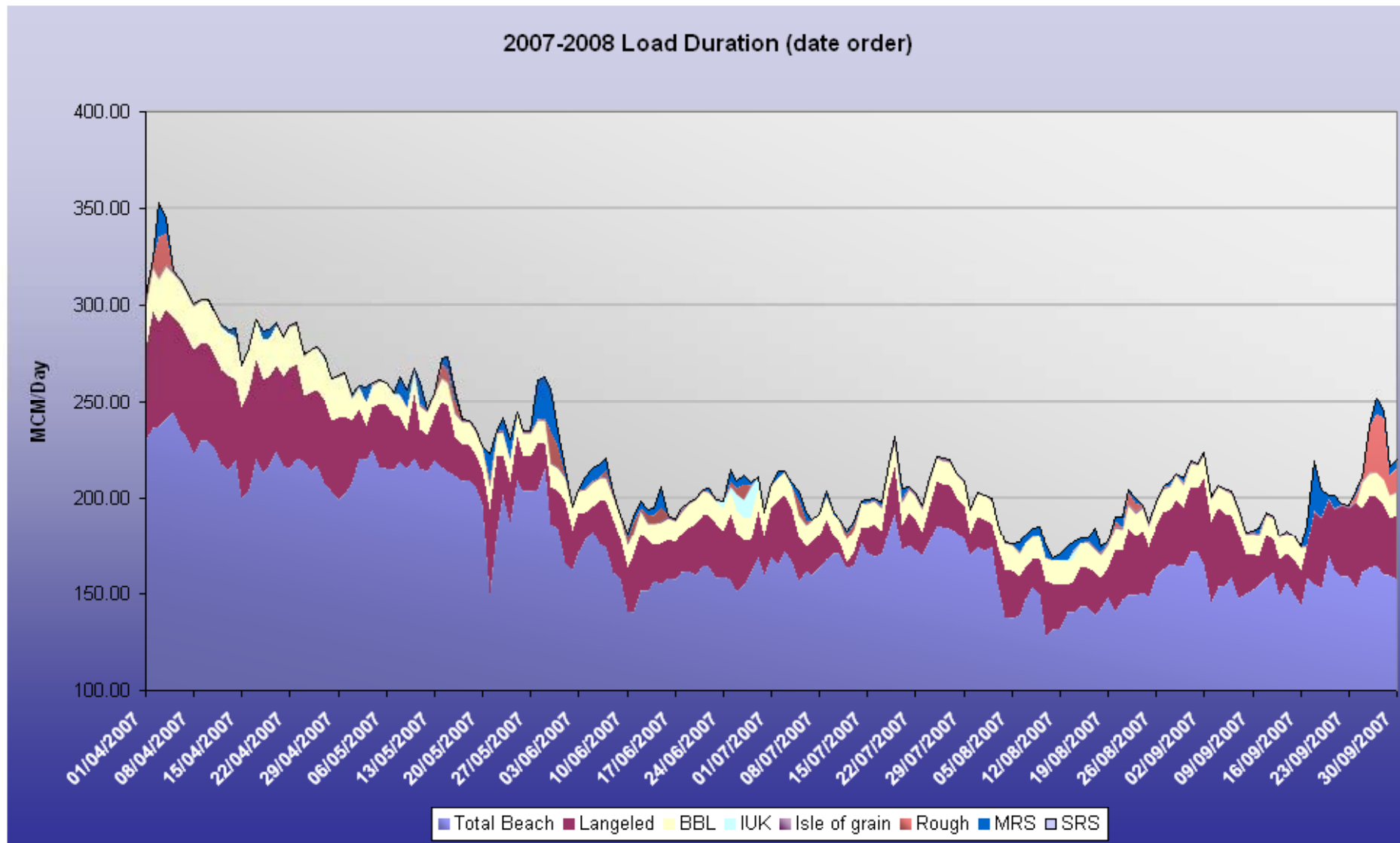


Source – NG website

4. Storage Injections



Summer Supply





Supply Factors

- Offshore Maintenance Schedules
 - Unknown field/pipeline maintenance
 - Interconnector/storage maintenance published
- National Grid Maintenance Schedule – published
 - Impacts quantified
- Target linepack or ‘balance’ for gas in network over summer
- Flows through Langede/BBL and continental market arbitrage (EBP)
- Storage withdrawals delaying injection ‘fill times’
- Commissioning of Aldbrough storage facility
- Commissioning of Milford Haven LNG sites
- LNG Arbitrage – Load Diversion
 - Price arbitrage – 10 cargoes to IoG this winter

Storage Wrap Up

