

R/31

2 OCTOBER 2008

## ELECTRICITY DEMAND WILL BE MET EVEN IN A HARSH WINTER

- **National Grid reports that demand for electricity this winter can be met even in harsh weather scenarios**
- **The spare electricity generating capacity margin for the winter is expected to be 25.4 per cent above demand**
- **As in previous winters, global energy prices and the weather will determine gas imports into Britain**

Electricity supplies will be sufficient to meet demand even in harsh weather conditions this winter according to a report by system operator National Grid, published today (Thursday) by regulator Ofgem.

In its Winter Outlook report for 2008-2009, National Grid says that North Sea gas deliveries are likely to be around 10 per cent lower than last winter, but that this should be offset by higher gas imports from diverse sources. New gas import infrastructure is being built but there are never any guarantees that specific facilities will be fully used as the pattern of imports of gas into Britain will depend on global energy prices.

National Grid says electricity supplies will be sufficient to meet demand this winter. However, it is still unclear when certain nuclear power stations will return from maintenance to begin generating. The spare generating capacity margin for the winter is expected to be 25.4 per cent above demand.

Alistair Buchanan, Ofgem Chief Executive, said: "The market is responding to the major challenge of delivering more gas import capacity to offset declining North Sea supplies. However, nobody can predict accurately how severe a winter we will have, or what will happen to global energy prices, so it is vital that all stakeholders and major customers use National Grid's report to plan effectively for the coming months."

Two new liquefied natural gas (LNG) terminals in South Wales are yet to be commissioned and the number of LNG cargoes that may arrive in Britain is uncertain because competition for those cargoes is global. However, it is anticipated that if imports from Norway are lower than expected or if global competition for LNG cargoes is intense, Britain could attract extra gas from other pipeline links to Belgium and Holland.

**-Ends-**

### Notes to editors

**1. The table on the following page is taken from National Grid's Winter Outlook report. National Grid has considered what supplies would be available from the**

**North Sea and import sources under various different scenarios. In preparing the Winter Outlook report, National Grid has considered how much gas will be available in various different scenarios this winter. The different scenarios reflect different assumptions of how much gas will be imported into Britain.**

Supply source	Delivery in million cubic metres / day (Low case)	Delivery in million cubic metres / day (Central case)	Delivery in million cubic metres / day (High case)
UK Continental Shelf (North Sea)	195	195	195
Norway	68	81	111
Bacton-Balgzand pipeline	30	30	30
Bacton Zeebrugge pipeline	30	20	10
LNG imports	0	10	30
Total (excluding storage)	323	336	376

Total supplies from short, medium and long term storage for winter 2008-2009	140	140	140
--	-----	-----	-----

Total gas supplies available	463	476	516
------------------------------	-----	-----	-----

**Britain uses around 100 billion cubic meters of gas a year and the record amount of gas used in a day stands at 440 mcm in January 2003.**

2. A copy of the Winter Outlook consultation can be downloaded [here](#). It can also be downloaded from National Grid's website: [www.nationalgrid.com](http://www.nationalgrid.com)

3. A copy of Ofgem's fact sheet on security of gas supplies can also be downloaded [here](#).
4. Ofgem is the Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority, the regulator of the gas and electricity industries in Great Britain. The Authority's functions are set out mainly in the Gas Act 1986, the Electricity Act 1989, the Competition Act 1998 and the Utilities Act 2000. In this note, the functions of the Authority under all the relevant Acts are, for simplicity, described as the functions of Ofgem

**For further press information contact:**

**Chris Lock: 0207 901 7225 / 07766 511470**

**Mark Wiltsher: 020 7901 7006 / 07774 728971**

