

Winter Outlook 2015/16



Ofgem Winter Outlook Seminar
15th October 2015
Roisin Quinn – Head of UK Energy Strategy

Winter Outlook Report 2015/16



Electricity margins are manageable and remain unchanged from those published in the Winter Review

Range of established tools and processes to balance the system

Balancing services procured at a competitive price

Diverse and flexible sources of gas supply to meet demand

Storage and supply disruptions pose a low risk to gas supply security

Your feedback has improved the Winter Outlook Report



Same structure as the Winter Review & Consultation

Key messages and terms explained in each chapter

Simplified presentation of our electricity analysis

Stress tests included on gas security of supply in response to stakeholder feedback

Electricity outlook



Electricity key messages

Forecast ACS peak demand broadly in line with last year

Margins are manageable, with a range of established tools available to help balance the system

Increased likelihood balancing tools will be used

Access the latest operational data via BM Reports

Winter view

No change to the margin and LOLE figures from those published in our Winter Review & Consultation in July 2015

De-rated capacity margin

5.1 %

Loss of load expectation

1.1 hours/year

Generation

70 GW total

56.5 GW de-rated

2.4 GW SBR/DSBR

Demand*

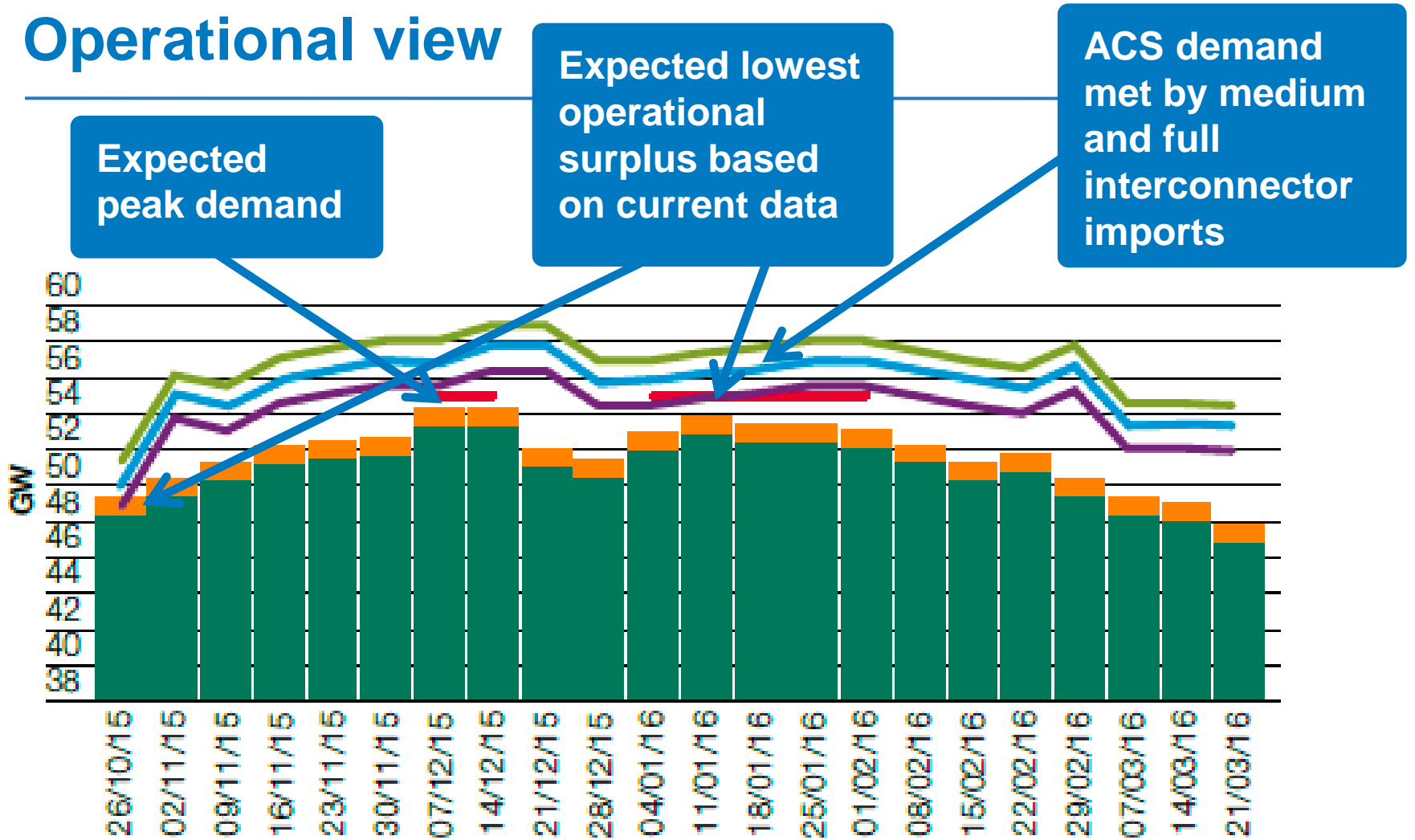
55.1 GW

Interconnectors

1.1 GW net imports

* ACS peak transmission system demand

Operational view



OC2 data 8th October 2015

Operational toolbox



We have balancing services ready to respond to a range of scenarios

Tools and processes are tried and tested

Notifications may be issued to inform the market of potential shortfalls to allow the market to respond

If the market responds, notifications may be withdrawn

Gas outlook



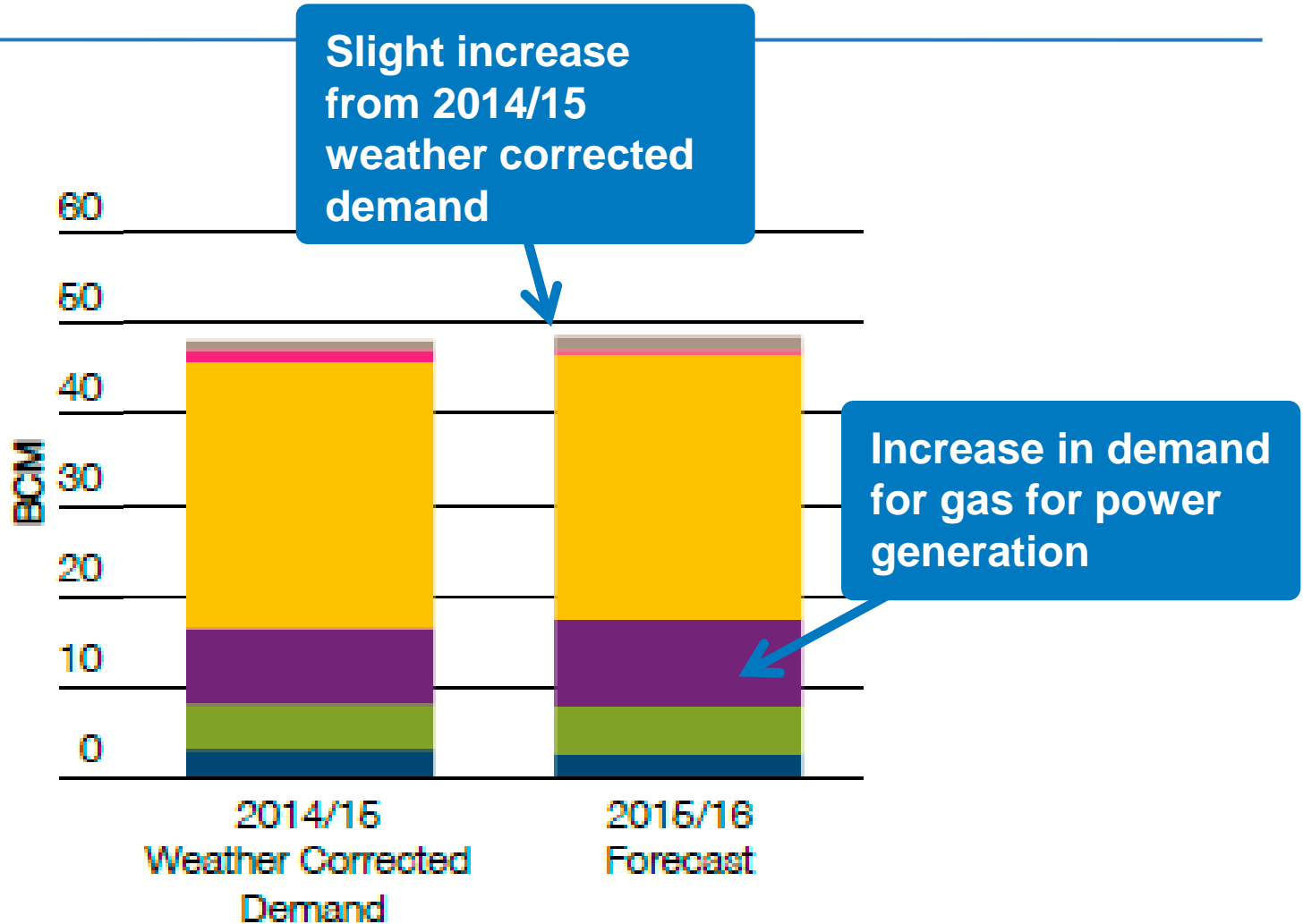
Gas key messages

Demand expected to be similar to last year's weather corrected demand

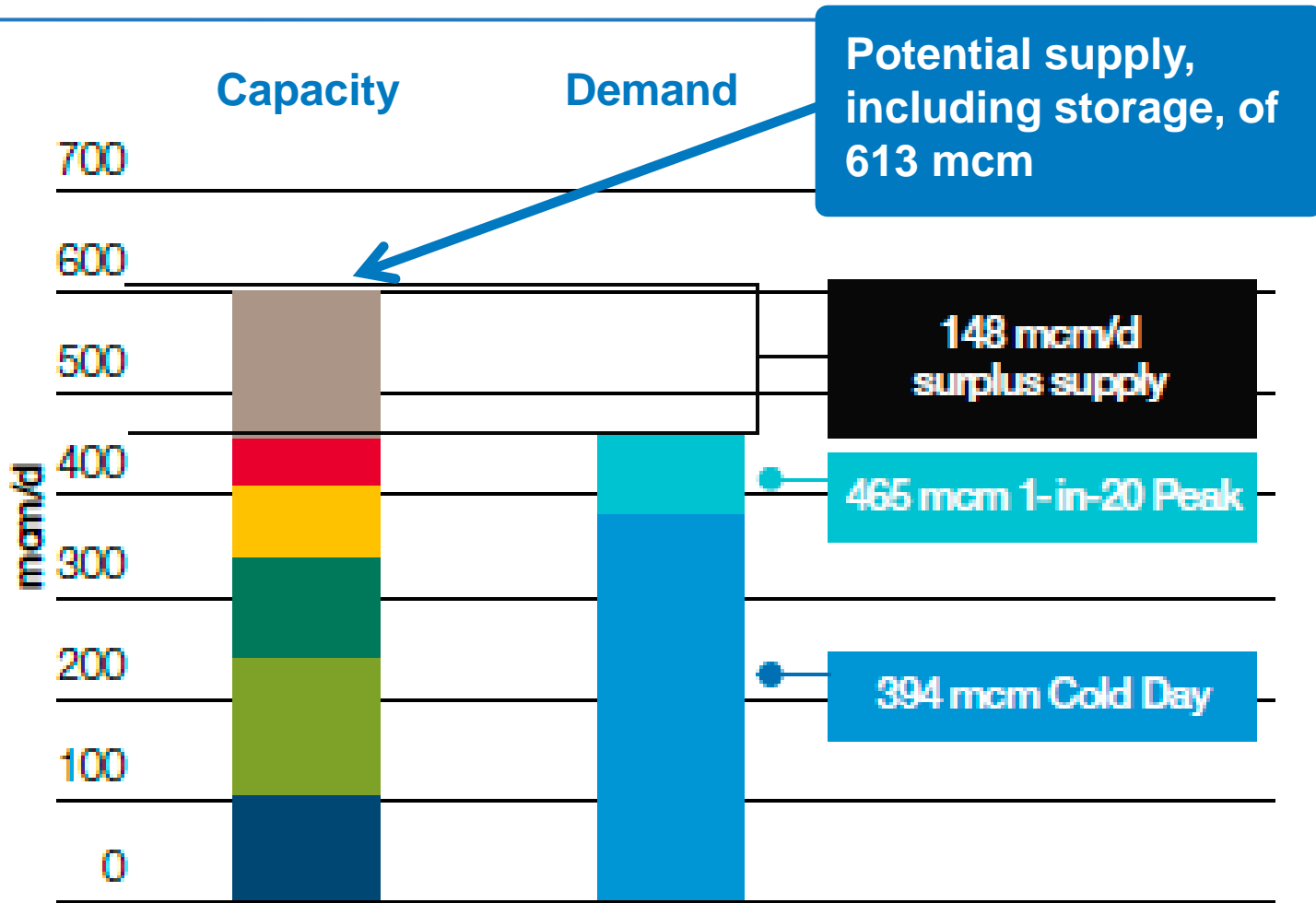
Diverse and flexible supplies of gas sufficient to cover any cold spells

Storage and supply disruptions pose a low risk to supply security

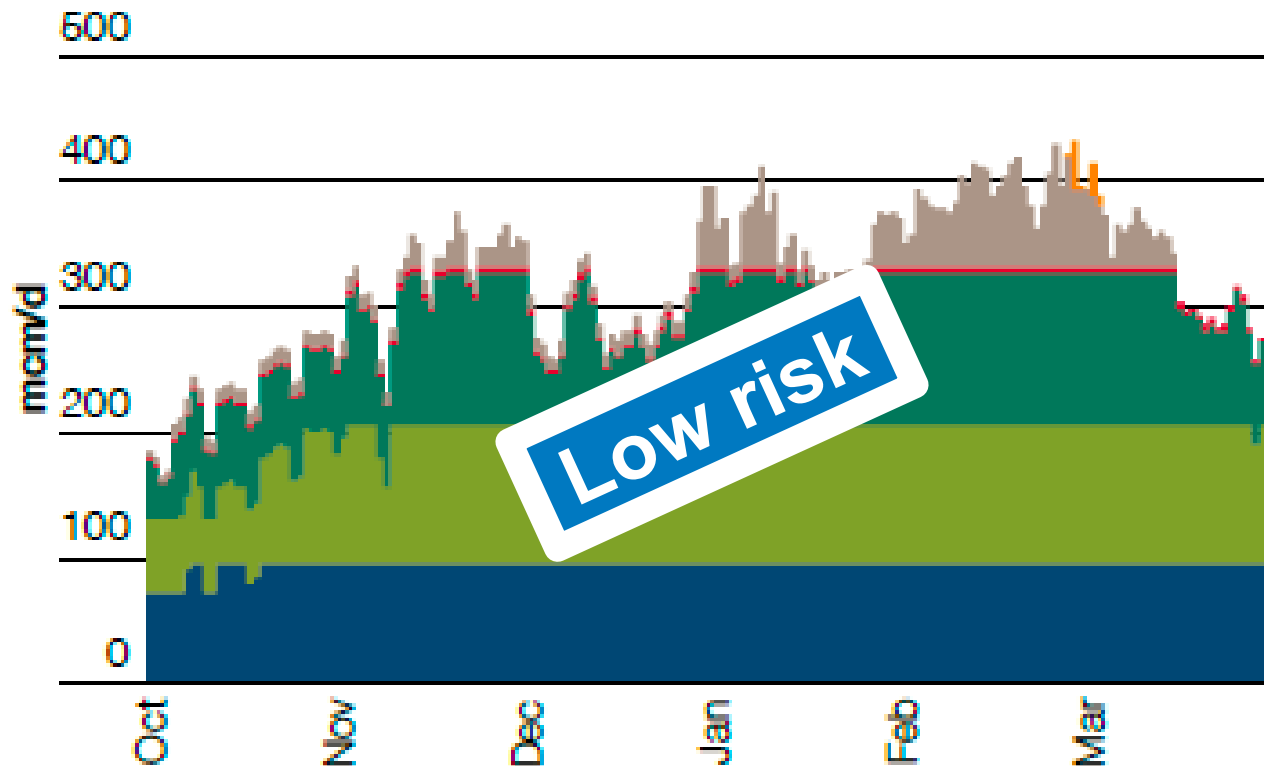
Gas demand



Gas supply



Security assessment

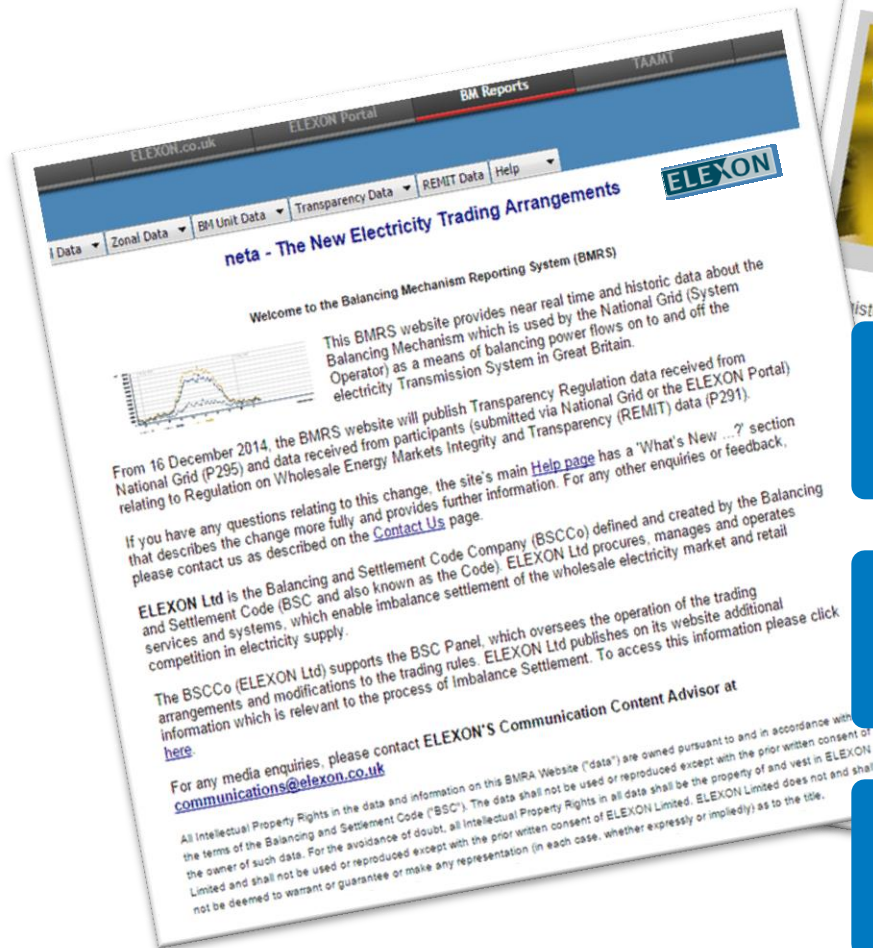


Assessment of a cold winter with lower BBL flows and a disruption to Russian supplies through Ukraine presents a low risk to security of gas supplies

Beyond the Winter Outlook Report



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Thank you. Any questions?

