We develop scenarios that affect & inform how important decisions are made.

- Development of transmission systems
- European developments
- Supply & demand for the year ahead
- Security of supply & decarbonisation
We follow an annual cycle of scenario development

Your Views
Our stakeholder engagement allows us to listen to your views, which are vital to our outputs. They drive our processes and inform both our scenarios and our consultation process.

Future Energy Scenarios
The scenarios are the end result and a vision of the future that stakeholders have informed. The publication of the Future Energy Scenarios document marks the start of our annual process and the continuation of our stakeholder consultation.

Axioms
An axiom is a premise or starting point of reasoning. The axioms that we produce are a reflection of the stakeholder feedback that we receive through our consultation process. These axioms influence our modelling.

Modelling
Once our axioms have been defined, they underpin our detailed modelling and drive our specific electricity and gas, demand and supply scenarios.
What do the 2014 scenarios look like?

- **Low Carbon Life**
  - Less emphasis on sustainability
  - More money available

- **Gone Green**
  - More emphasis on sustainability
  - Less money available

- **No Progression**
  - Less emphasis on sustainability
  - More money available

- **Slow Progression**
  - More emphasis on sustainability
  - Less money available
Residential energy for gas is stable to 2020, range of outcomes for electricity is wider.
Industrial & Commercial gas demand continues to decline

Sectoral change, energy efficiency and fuel switching drives decline
Gas demand falls in the greener scenarios and plateaus in the other two.

Power generation maintains demand.

Fuel switching and energy efficiency.
In all our scenarios we expect coal to reduce rapidly, and gas to initially fill the gap.

- **Early IED opt out**
- **Aggressive closure profile across all scenarios**
- **The increase in gas fired plant in order to compensate for coal closure profile**
- **Remaining plant assumed to comply with IED or be converting to CCS**
By 2020 Gas will be the dominant generation fuel, with wind and solar more prevalent in the wealthier scenarios.

Generation scenarios

Gas capacity and usage increases across all scenarios.
By 2035 we have a much wider range, with CCS for gas in the greener scenarios

Generation scenarios

Gas capacity retained but annual usage changes
Due to the large amount of uncertainty around Shale production we have a broad range.
Shale has the potential to significantly impact import dependency

No Progression

Low Carbon Life
Summary

Broad range of plausible and credible scenarios to capture uncertainty

Demand for gas is expected to plateau or fall

However, gas still has an important role in both heat and power out to 2035

Shale could have a big impact on import dependency
Issues for the coming winter?

Demand expected to be very similar to last year
Gas supply position secure
Diverse supply
Storage well stocked
Impact of Russian gas curtailment low
Thank You