

# Gas Winter Outlook Report 2018/19

BIEE 25 October 2018

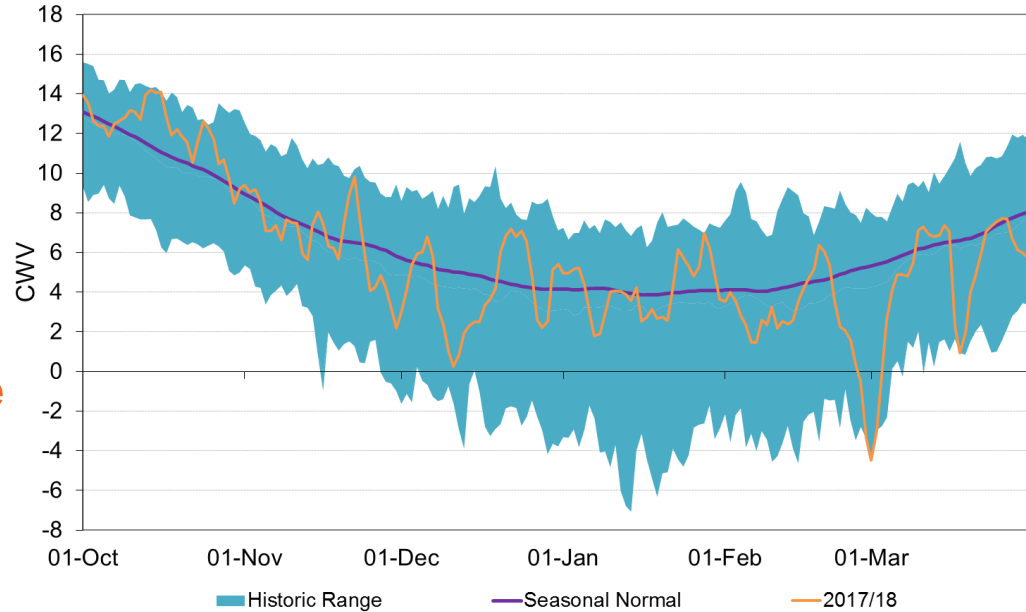
Simon Durk. Market Insights manager

# Why do we prepare a winter outlook

As the GB System Operator, part of our role is to provide credible analysis of how the energy sector might look based on the latest information available to us. This report draws together **analysis and feedback from across the industry** to present robust data and help optimise availability for the coming winter by **ensuring the market is fully informed**

# Winter Review highlights

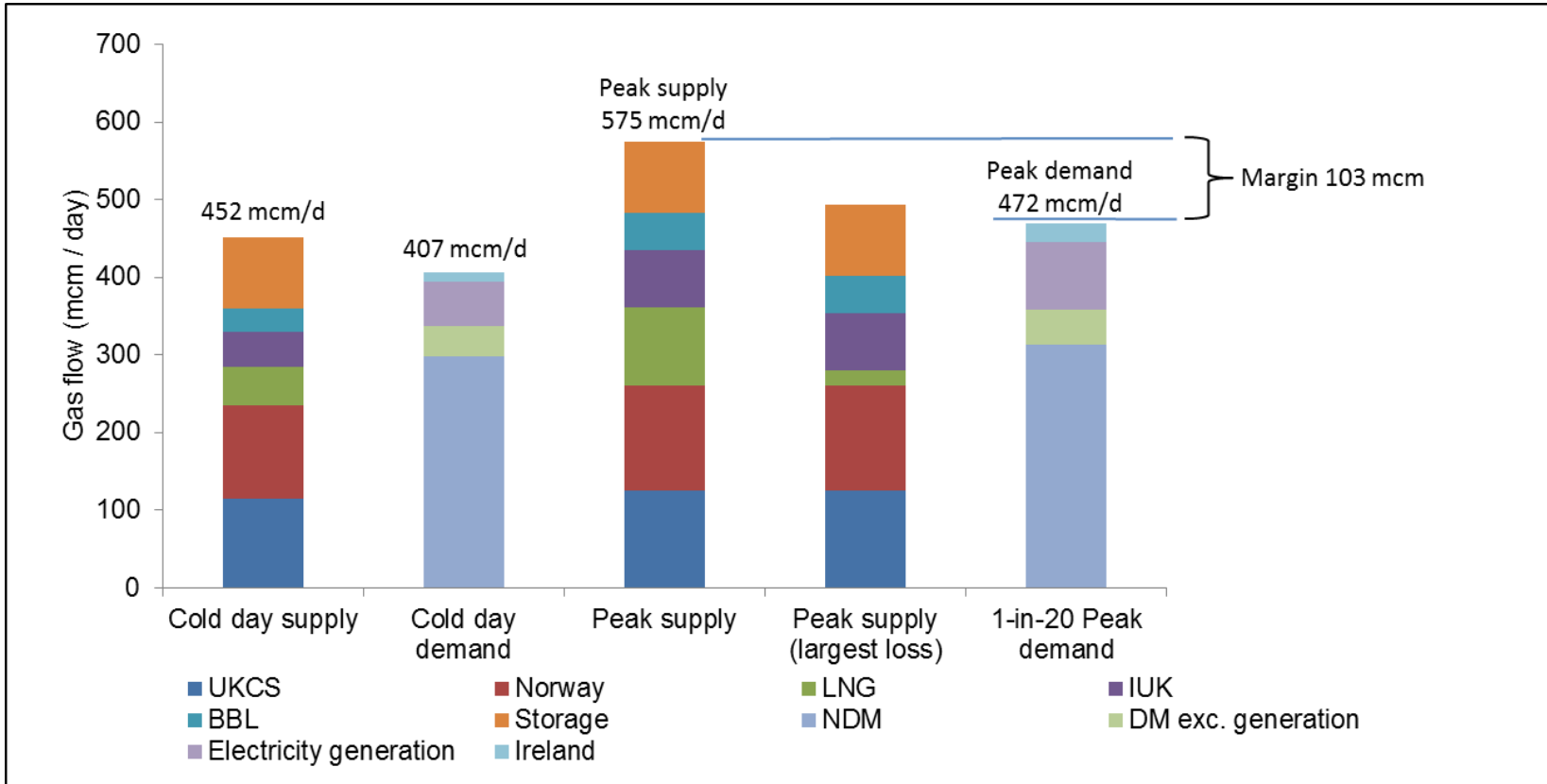
- **Instantaneous demand over 500 mcm/day**
- **1 in 20 LDZ demand**
- **Lowest ever recorded linepack**
- **First Gas Deficit Warning**
- **More information on our website**
  - Operational forum
  - Winter Review



# Gas key messages

- Our modelling demonstrates there is sufficient diverse and flexible supply of gas to accommodate all of our security of supply scenarios.
- We expect gas demand to be lower than last winter's weather corrected outturn. The forecast for this year is 46.6 bcm.
- UKCS and Norway are expected to dominate stable 'base' supply provision
- Storage, interconnectors and LNG provide additional capability along with flexible response for the market
- We have enhanced our industry engagement and winter preparations from 1 March experience
- Instigated industry engagement in respect of the gas notification process

# Winter view



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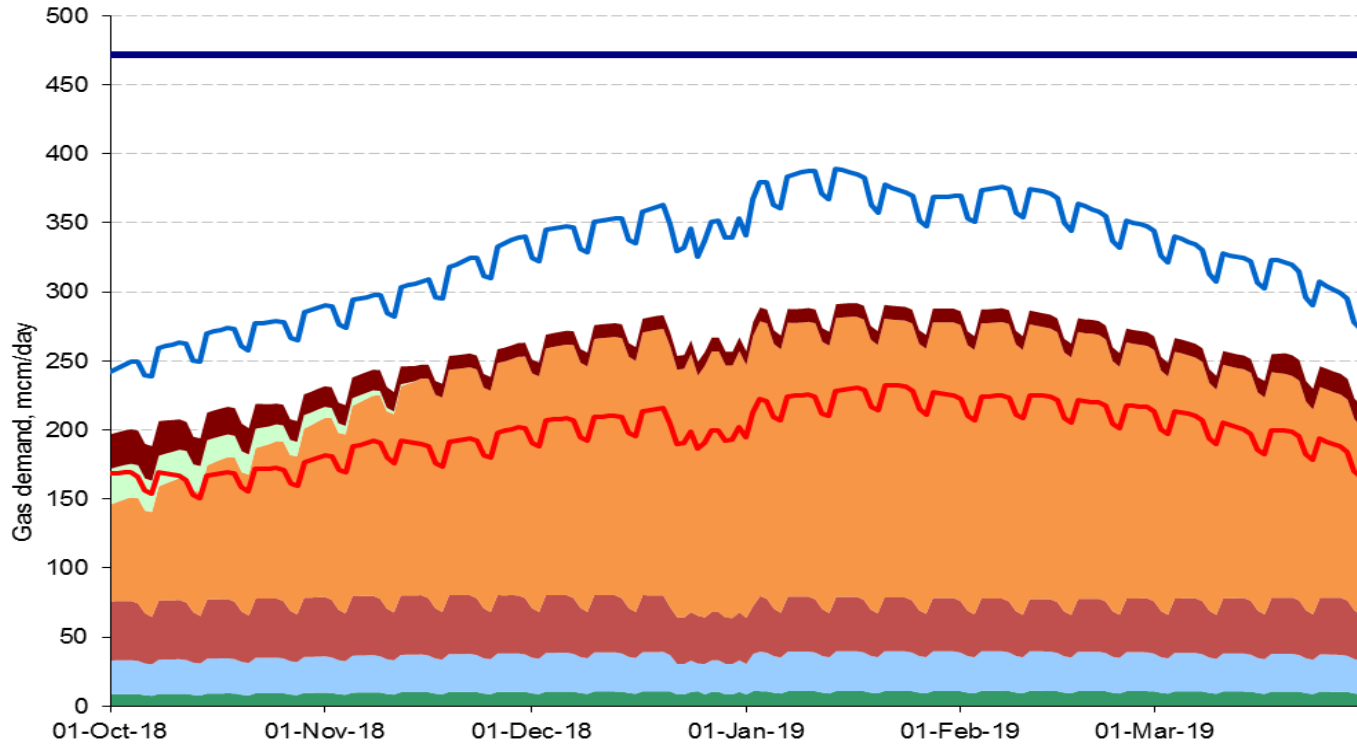
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# Gas demand



Ireland  
Electricity generation  
Interconnector  
Peak day  
Warm demand

Non-power daily metered  
Non-daily metered  
Storage injection  
Cold demand

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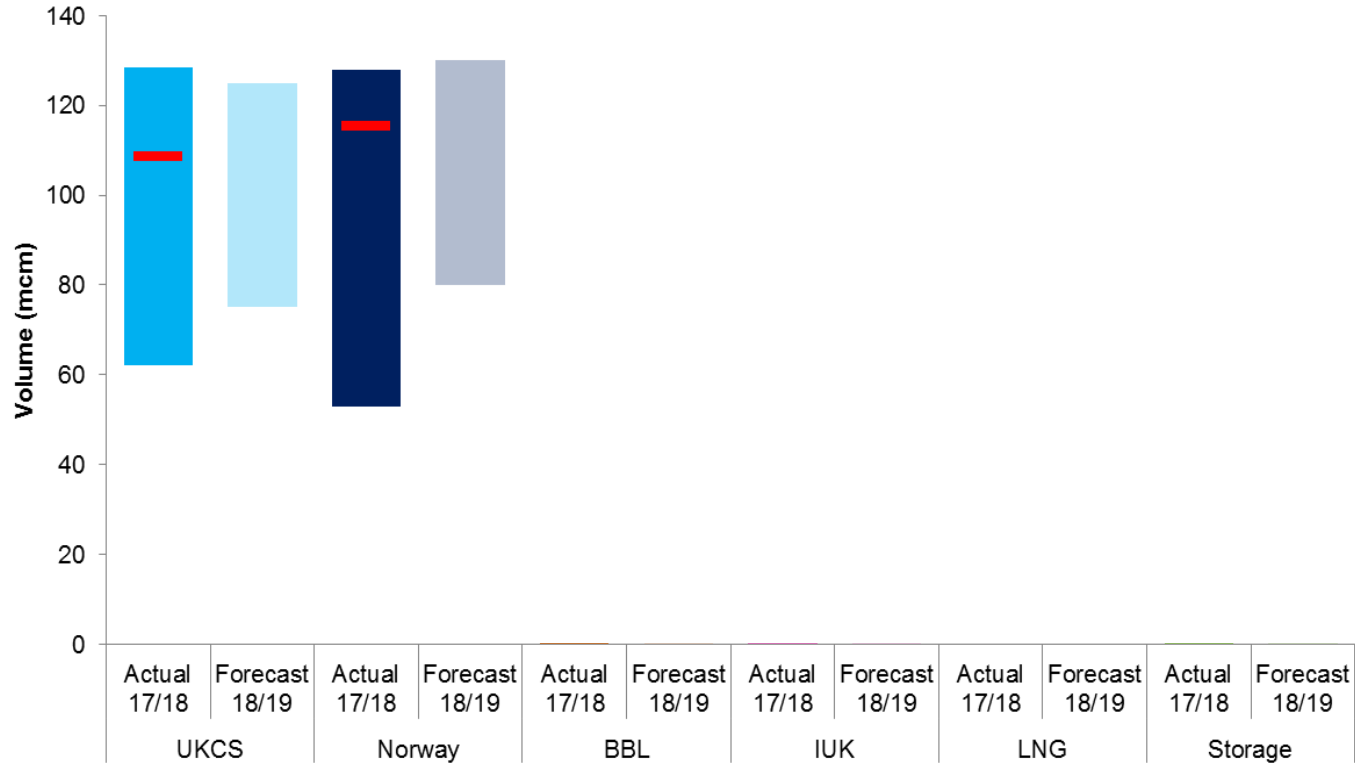
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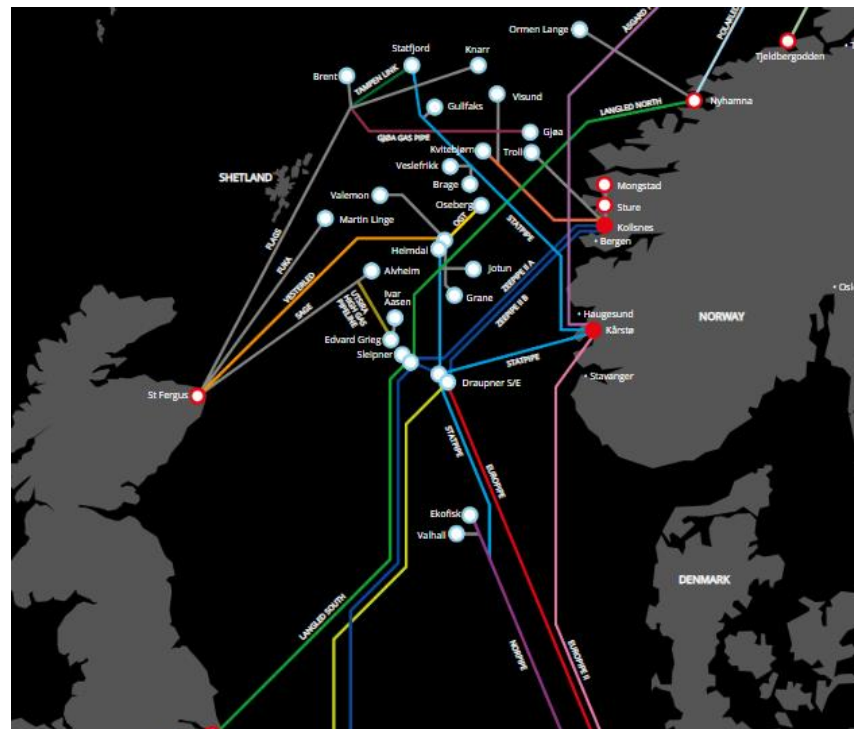


# Gas supply



# Gassco network is complex but flexible

Aasta Hansteen could supply many destinations



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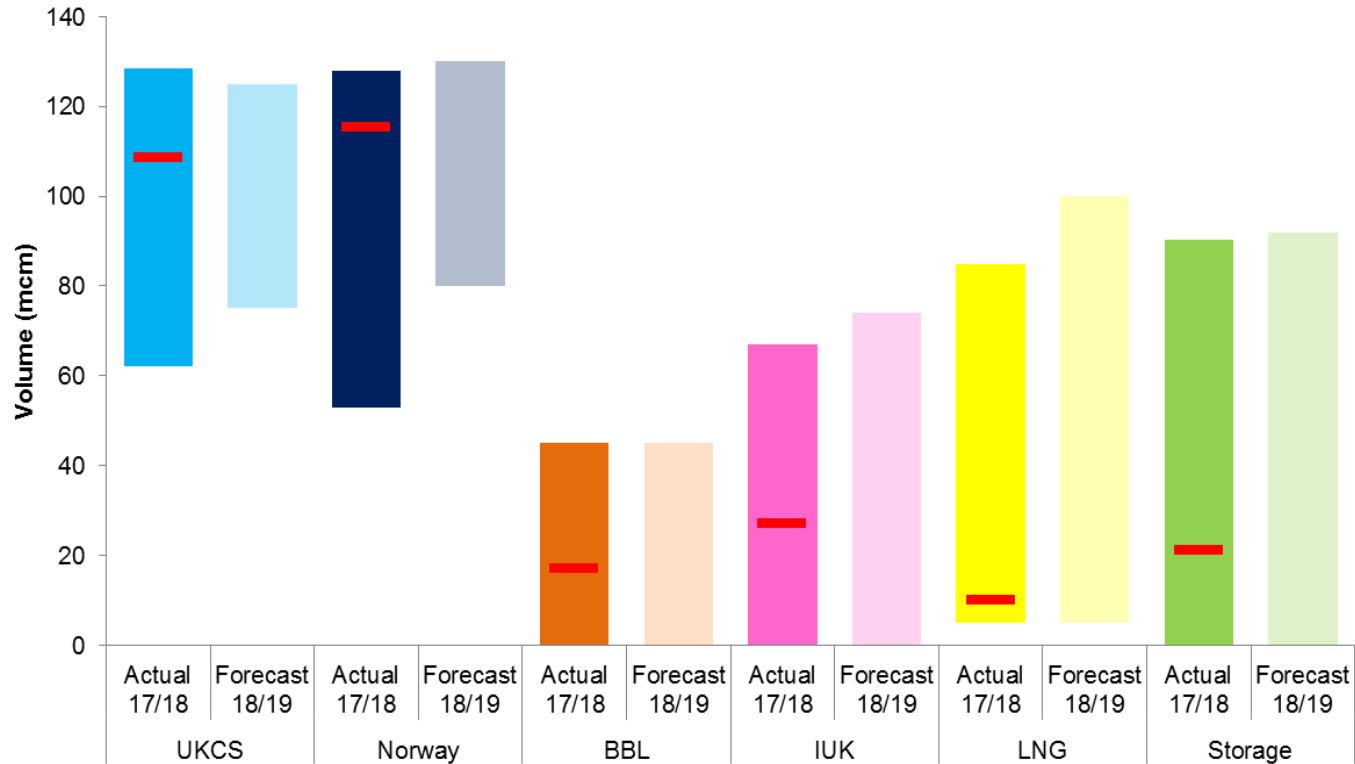
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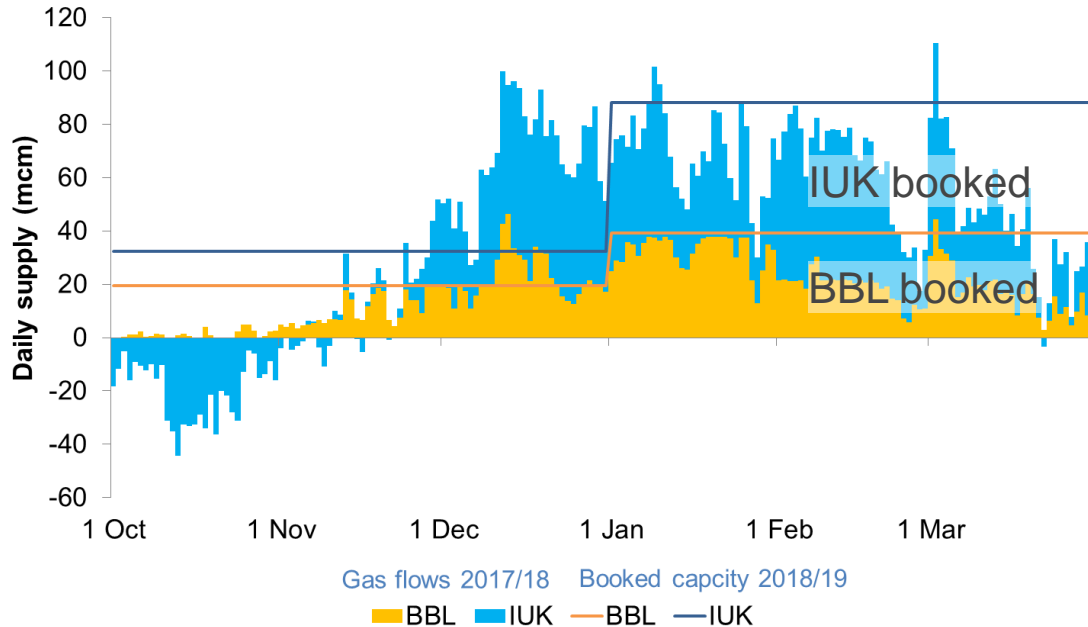
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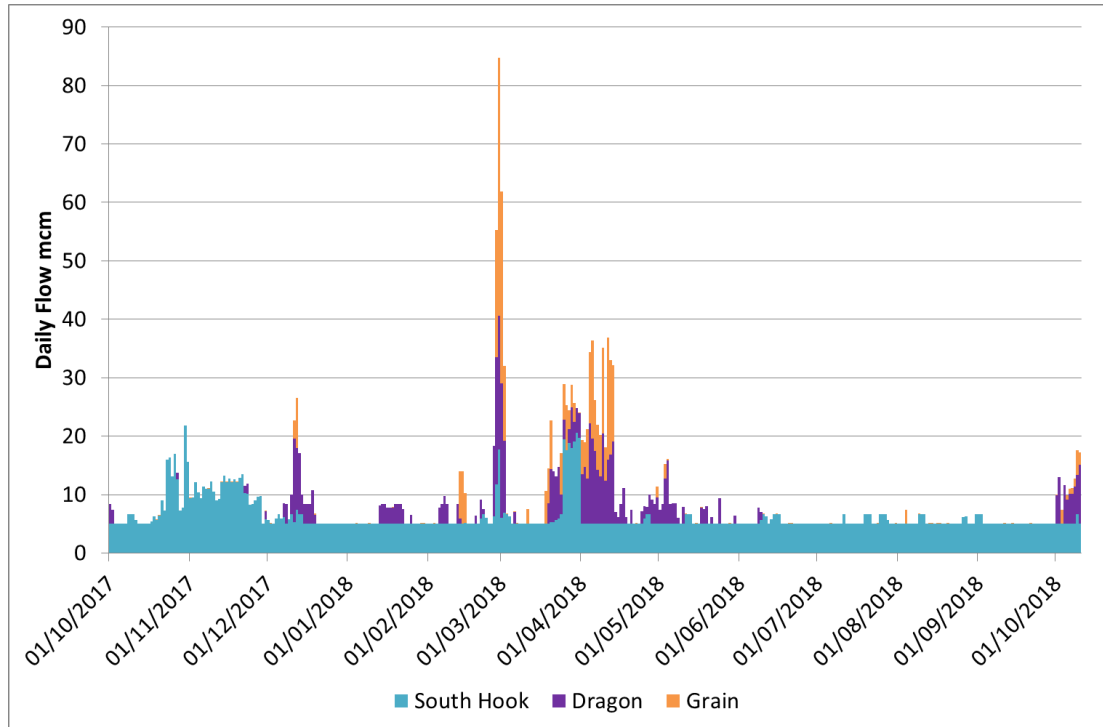


# Interconnector flows and bookings



- IUK contracts expired at the end of September
- Bookings low for Q4
- Better for Q1 2019
- This does not restrict physical flows; short term capacity can be booked

# Predicting LNG is always a challenge



Good delivery on 1 March

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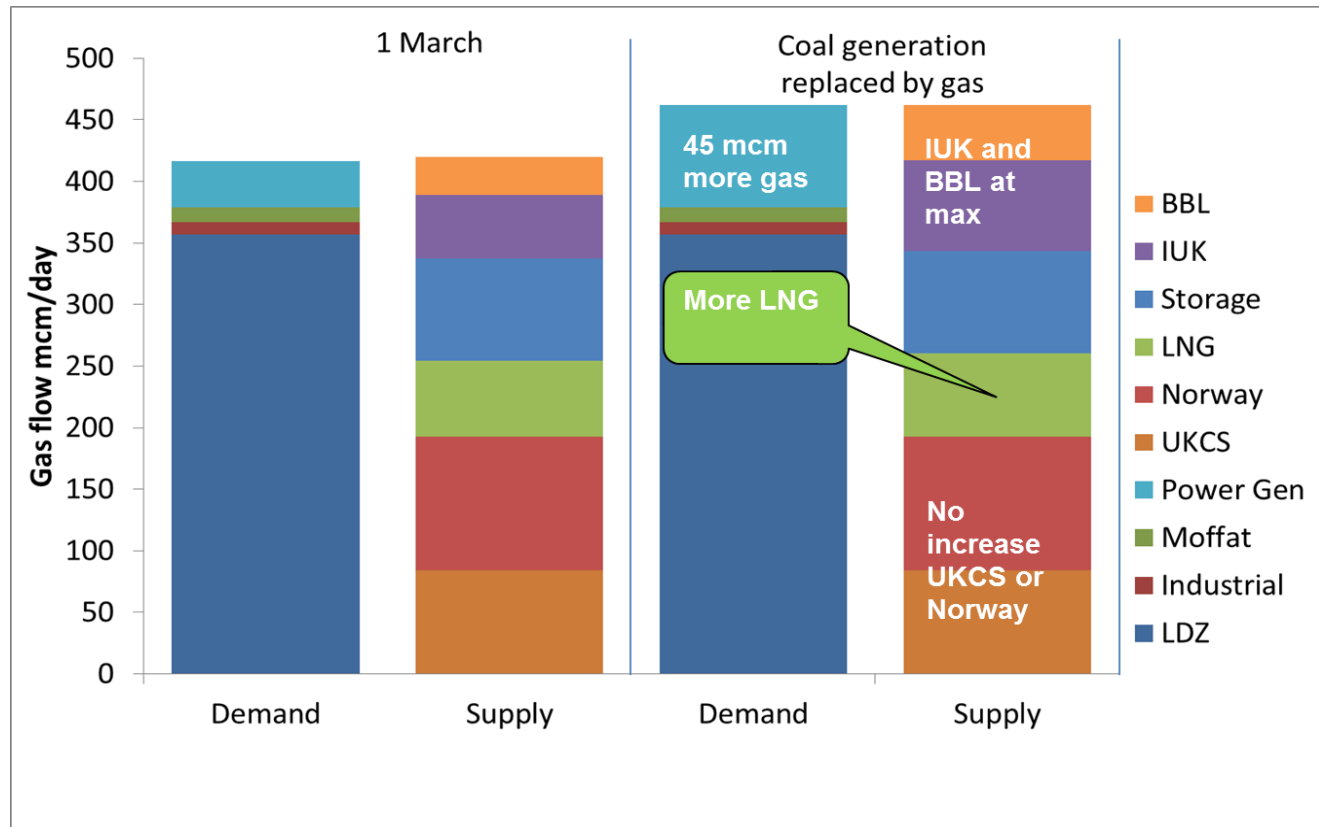
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# Review of Margins Notice and Gas Deficit Warning

- **Two stage alerting process**
- **Could we improve the forecasting?**
- **Could we improve the notification?**
- **Discussions at the Transmission Working Group**



# Electricity generation on 1 March 2018 with coal generation replaced by gas



# On the Watch List

- **Gas/Coal Switching**
- **LNG**
- **Groningen and BBL**
- **IUK**
- ~~Storage use~~
- ~~Ukraine~~

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Questions?