Gas Demand and Weather Review

Winter 2018/19

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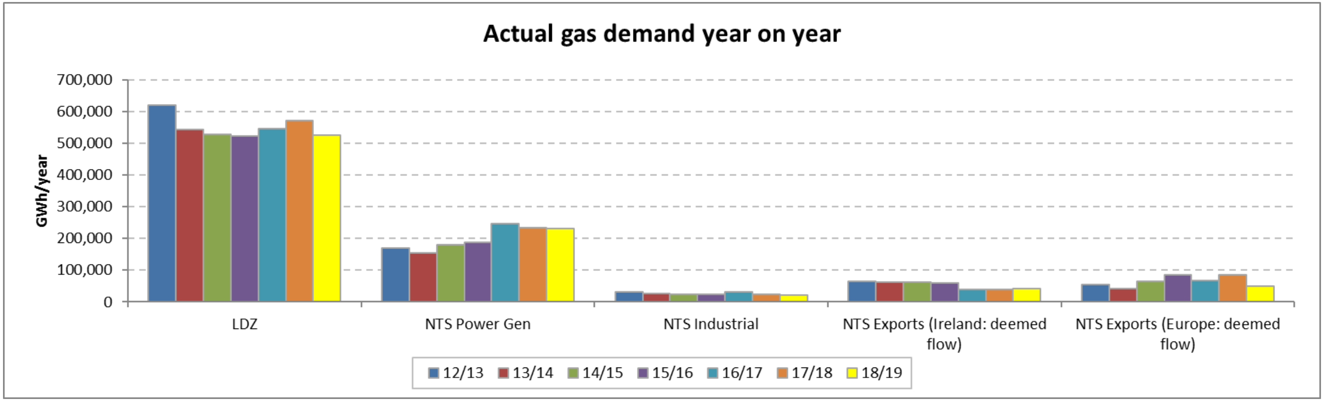
Winter 2018/19

- Focusing on the weather in winter 2018/19 - as the winter period is the big driver of gas demand - the winter was significantly warmer than seasonal normal.

- Weather sensitive demand (typically demand less than 732 MWh/annum) mirrored the CWV profile for the winter period with demand well below seasonal normal.

- Total demand over the Financial Year 2018/19 was 872 TWh, significantly down from 956 TWh in FY 2017/18, driven by predominantly weather driven reduced LDZ demand and lower exports to continental Europe.



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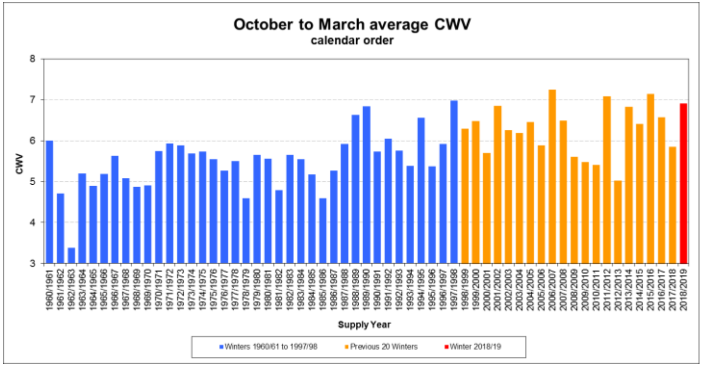
Winter Weather

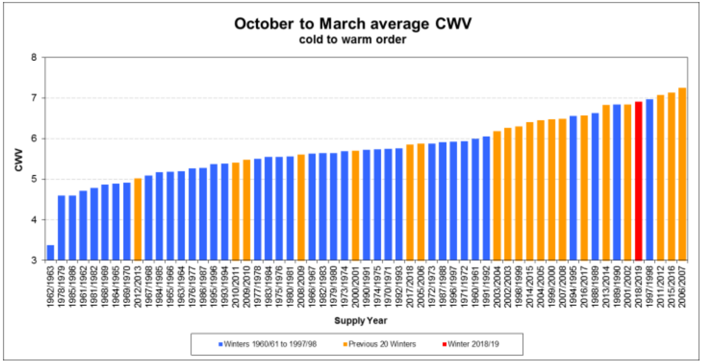
- The 2018/19 winter period, as compared against the last 59 years, was defined (on a CWV basis) as 1 in 14 warm at a national level for the full 6 month winter period.

- For the alternative winter period definition December – February, 2018/19 was defined as 1 in 11 warm.

- Overall 2018/19 was the 5th warmest winter in the past 59 years.

- CWV averaged 6.91 across the winter, compared to a climate adjusted seasonal normal CWV of 6.39 and an average CWV for Winter 2017/18 of 5.85.





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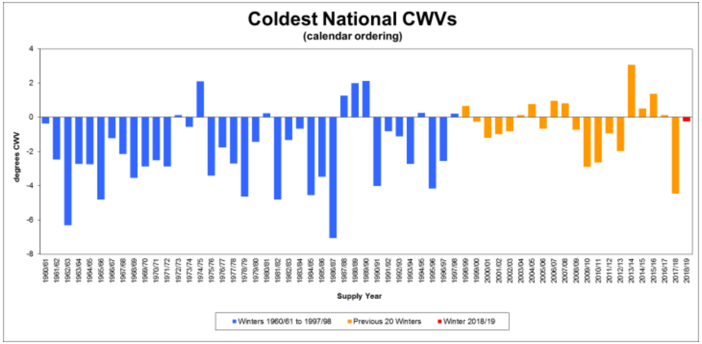
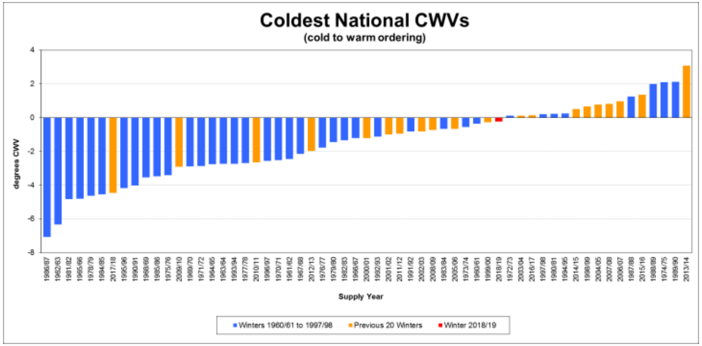
Peak Weather

- The coldest day in 2018/19 was the 1st February 2019 with a national CWV of -0.23.
- This was the 18th warmest peak winter day in the past 59 years.
- This is a contrast to the 2017/18 CWV peak of -4.46 which represented the 7th coldest compared to the full history.





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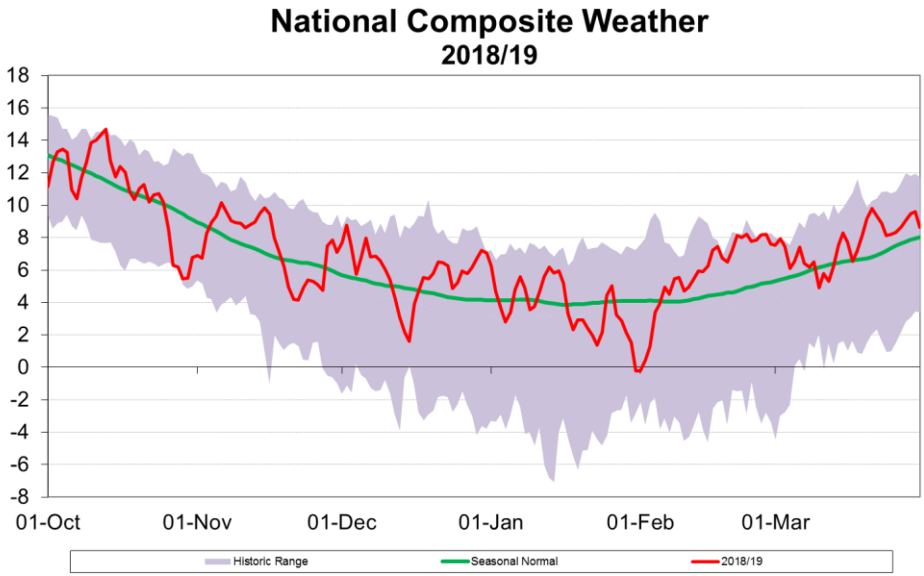
Winter Weather

- The weather for winter 2018/19 was slightly above seasonal normal for the first 4 months of the winter, before turning particularly mild towards the very end of the winter. For the period 06/02/19 – 31/03/19 actual CWV exceeded seasonal normal by an average of just over 1.5.



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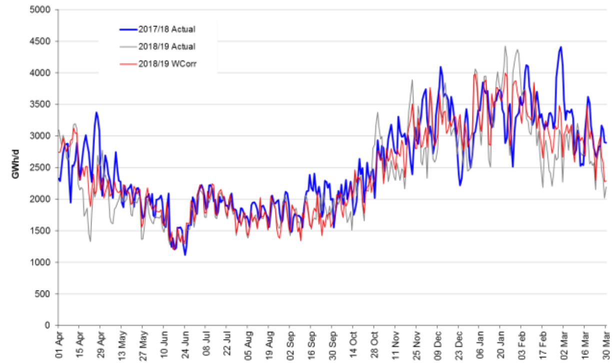
Gas Demand Year on Year

- Total gas demand dropped significantly in FY 2018/19 from the previous two years.
- Falls in LDZ demand were predominantly weather driven although there looks to be a small drop even on a weather corrected basis.
- Exports to Europe was the other big drop as increased LNG deliveries to Europe reduced the requirement for UK gas exports to Europe to refill storages.



Financial year demand	13/14	14/15	15/16	16/17	17/18	18/19
LDZ	543,895	527,690	521,324	544,283	571,799 [1]	524,561
NTS Power Gen	153,897	179,813	187,400	245,691	232,557	231,087
NTS Industrial	27,592	22,837	23,246	31,448	24,259	22,218
NTS Exports (Ireland: deemed flow)	61,578	62,702	59,725	39,631	38,953	41,764
NTS Exports (Europe: deemed flow)	40,928	64,509	86,274	67,178	85,228	49,788
NTS shrinkage	4,193	3,473	3,660	3,982	2,968	2,673
Total Demand (GWh)	832,083	861,024	881,629	932,211	955,764	872,090

[1] In last year's winter severity report LDZ demand was reported lower at 547,294 GWh due to the omission of UiG at the time of producing this report. The correction to include UiG within LDZ demand is the reason for the increase in LDZ, and total, gas demand for 17/18.