Operational Overview

15 Day Ahead ensemble CWV

October 2014 to January 2015 vs Historical Range

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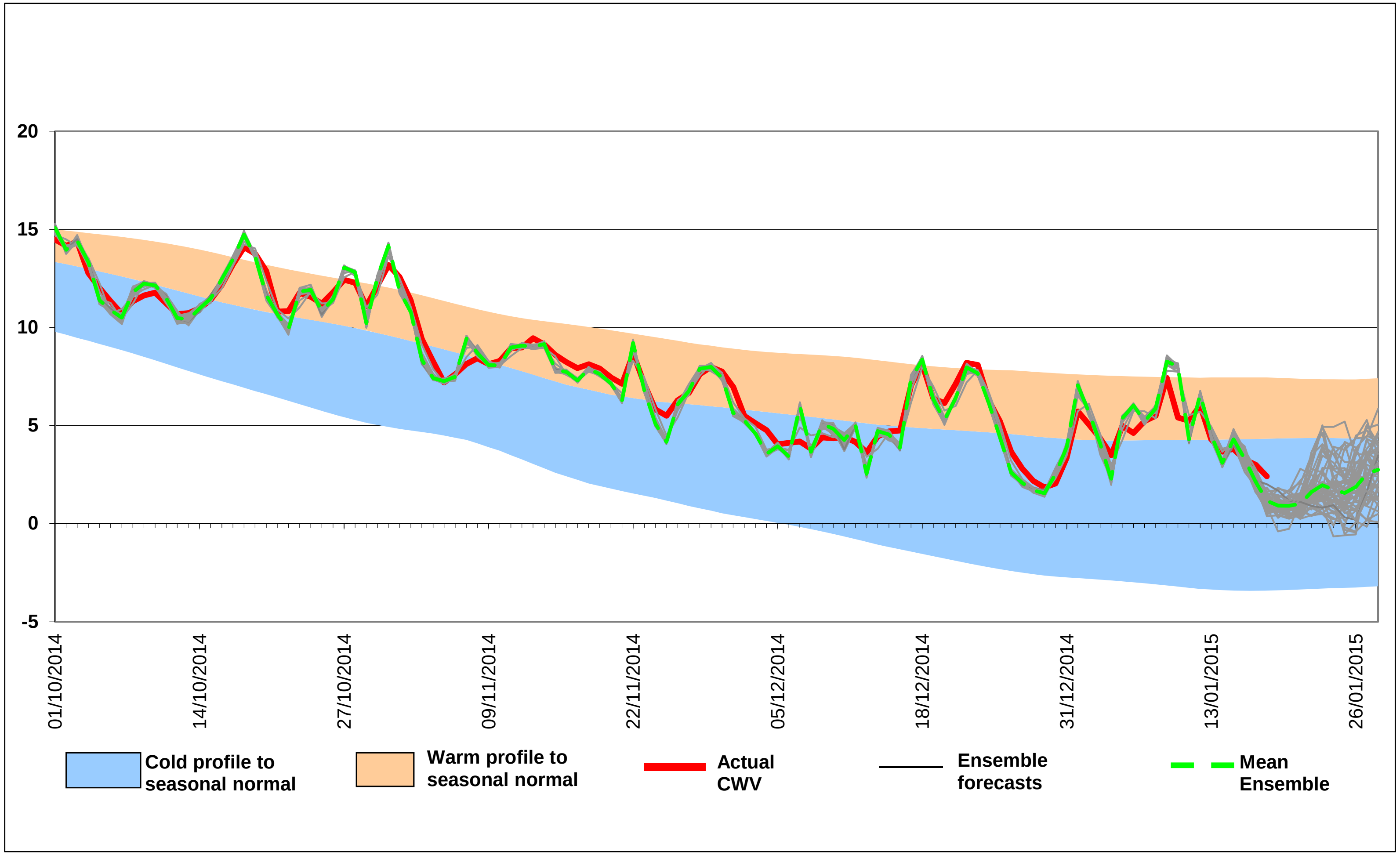
- NGG are anticipating temperature below seasonal normal.
- The highest individual demand, of 370 MCM/d, occurs on 26th January 2015.
- The highest mean ensemble demand, of 347 MCM/d, occurs on 19th & 20th January 2015.



Supply [1st Oct to 31st Dec 2014]

NTS Supply 14/15 (mscm/d)

Entry	Min	Max	Ave	Winter Outlook Range [14/15]	Winter Actual Range [13/14]
UKCS	69.4	101.1	88.9	76-109	65-106
NORWAY	68.5	123.5	95.2	60-130	47-127
BBL INTERCONNECTORS	0.9	31.9	17.2	10 - 45	3 - 45
IUK INTERCONNECTORS	0	7	0.7	0 - 74	0- 27
LNG	5.1	54.5	23.3	8 -130	8 -44
STORAGE WITHDRAWAL	0.0	62.2	15.9	0 - 129	0 - 86

Comments

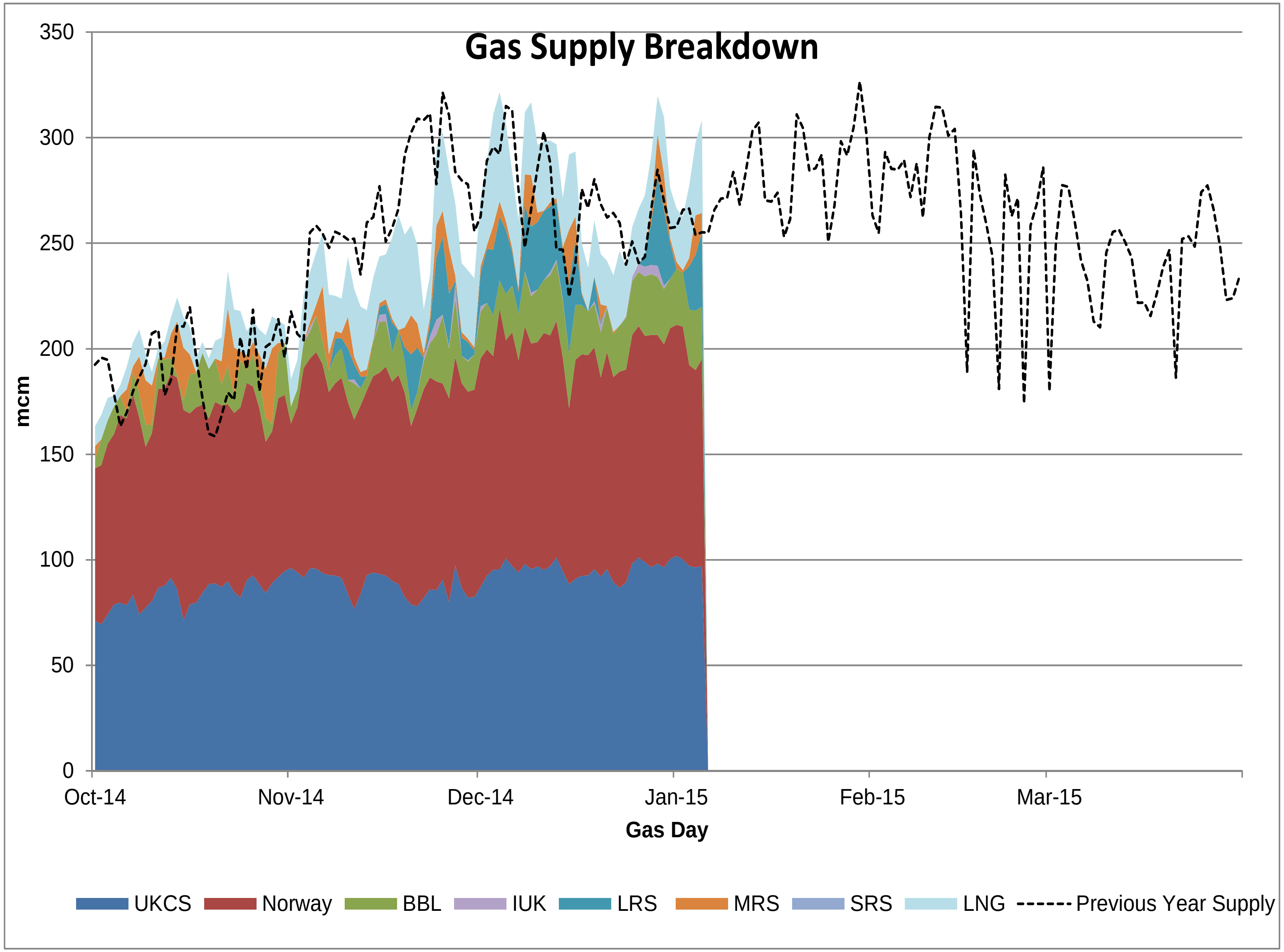
- UKCS supplies have proved reliable and stable to date in Oct to Dec 2014.
- There have been some issues that have impacted Norwegian supply but none that have had any significant impact upon supply to the UK in Oct to Dec 2014 [1 event on GD 22/12/14 – 3 events Oct to Dec 2013]. * However, Jan 2014 has seen several events that have impacted Norwegian supply to the UK .
- Average LNG flows Oct to Dec 2014 are 17% higher than last year [South Hook 90%, Dragon 6%, Grain 4%].

Entry	Min	Max	Ave	Winter Outlook Range [14/15]
Actual Supply	163.3	321.6	241.3	154 - 617
Actual Supply Exc Storage	157.1	284.2	225.4	NSS 344.0 [Average Cold] 488 [Max NSS]

* Not relating to this period

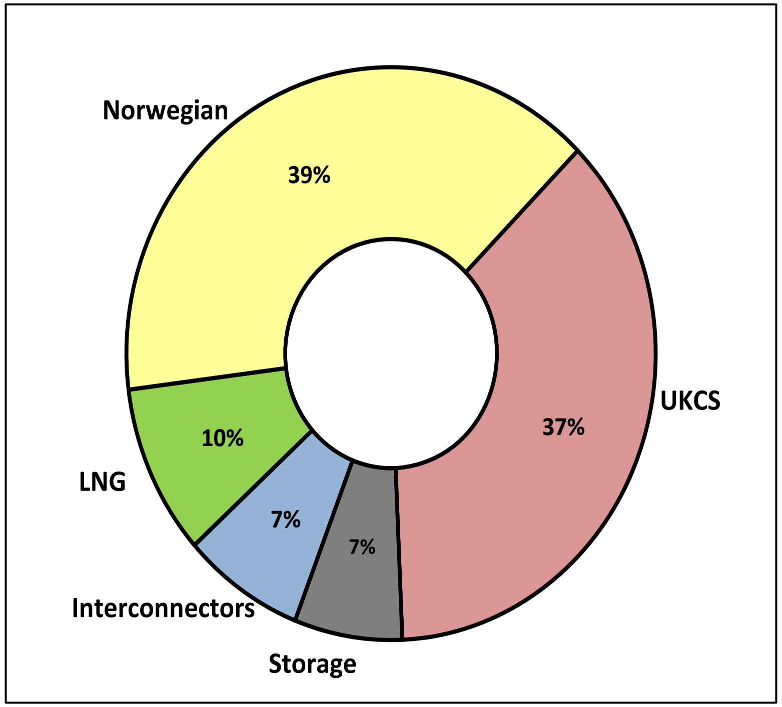
Gas Supply Breakdown

1st October 2014 to 5th January 2015 vs Previous Year

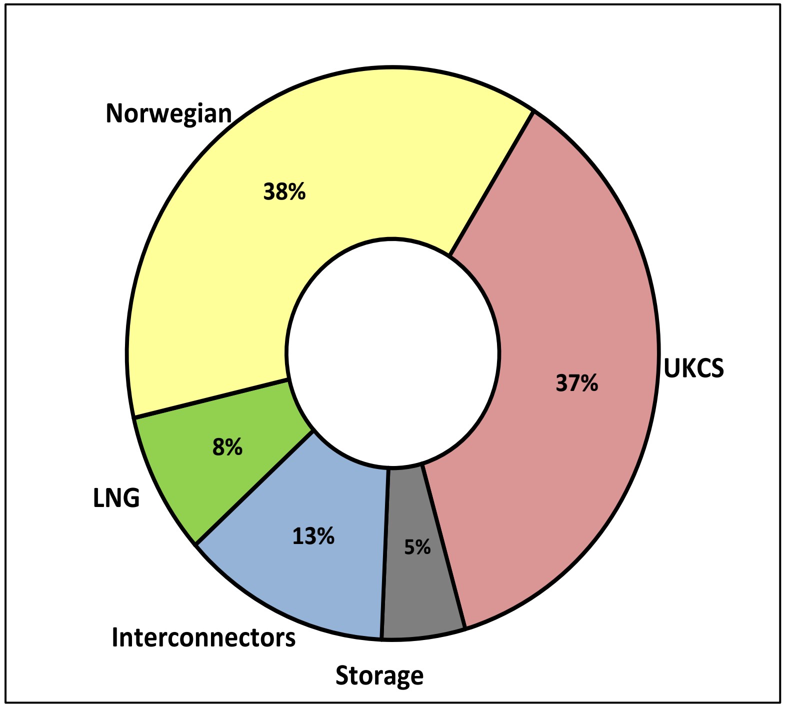


Gas Supply Breakdown

1st Oct 2014 to 31st Dec 2014



1st Oct 2013 to 31st Dec 2013



Demand [1st Oct to 31st Dec 2014]

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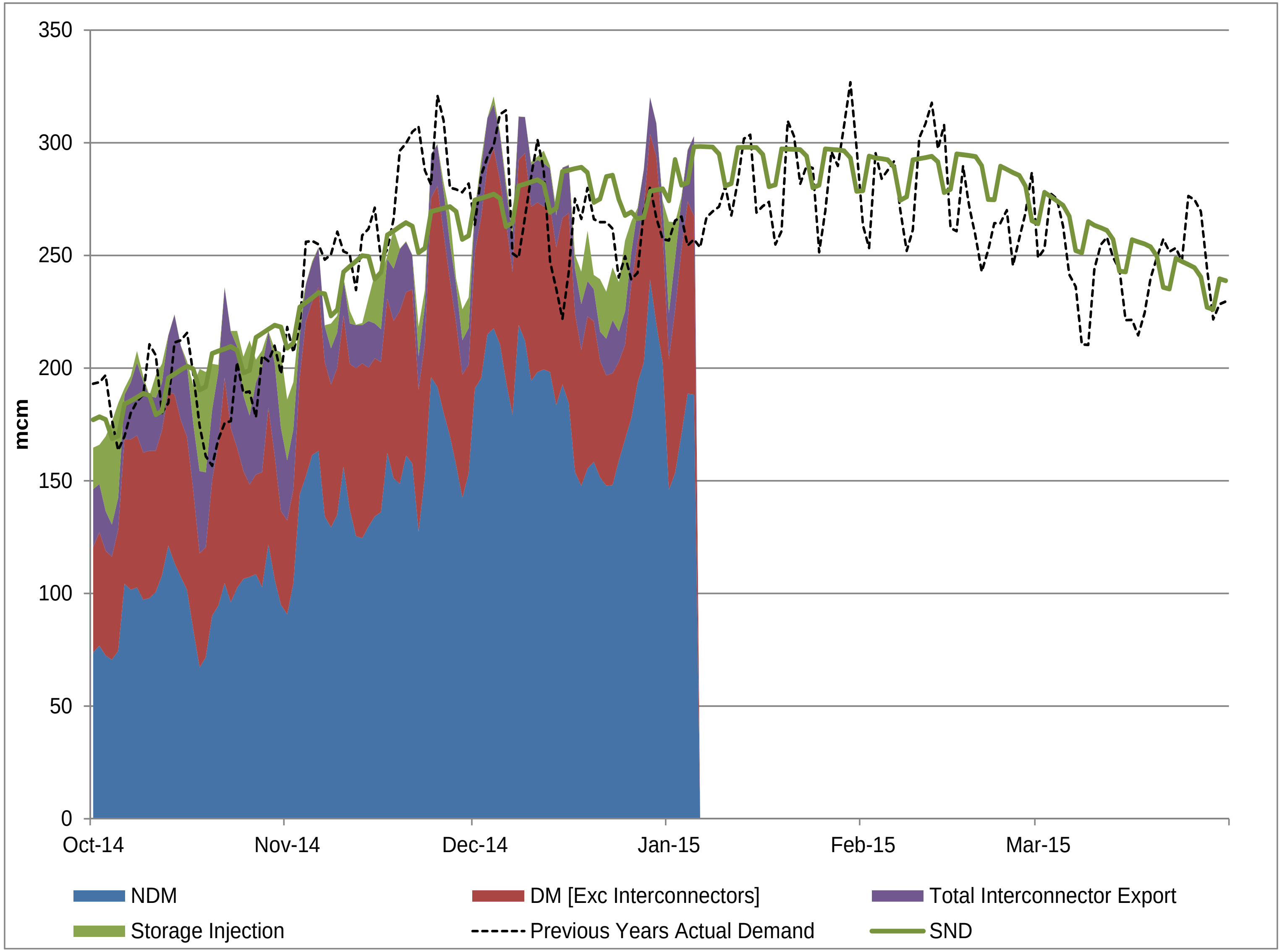
NTS Demand 14/15 (mscm/d)

Exit	Min	Max	Ave	Winter Outlook Low / High [14/15 Oct to Mar]	Winter Actual Low / High[13/14 Oct to Mar]	Comments
LDZ	67.9	251.3	156.5	32 - 309	53 - 219	• IUK imports to the UK in Oct to Dec 2014 averaged 0.7mcm and export to the Continent averaged 6.6mcm. Max Import during this period 0.7mcm [26.5mcm Oct to Dec 2013] and Max Export 30.2mcm [20.3mcm Oct to Dec 2013]. • Max Power Station Demand for Winter 14/15 remains at 63.8mcm on 4th Dec [Winter 13/14 Max was 60.5mcm on 25th Nov 13]; Dec averaged 42mcm and was significantly below Base Case / High and included the impact of supply / demand over the festive period. • Storage injection has continued to average close to the lower forecast levels so far in Winter 14/15 . • Actual Demand compared to SND in Oct to Dec 2014 [Max below SND -51.1mcm on 22/12/14 and Max above SND +43.3mcm on 04/Dec/14]. Demand vs SND [+ indicates
INTERCONNECTORS Irelar	10.6	21.1	15.5	10 – 21	11 - 21	
INDUSTRIAL	6.6	11.4	9.3	20 – 36 (DM + Ind)	21 – 33 (DM + Ind)	
POWERSTATION	17.8	63.8	41.9	13 – 75	20 - 68	
STORAGE INJECTION	0.2	45.7	9.6	0 - 65	0 - 65	
INTERCONNECTORS IUK	0.0	30.2	6.6	0 - 30	1 - 20	

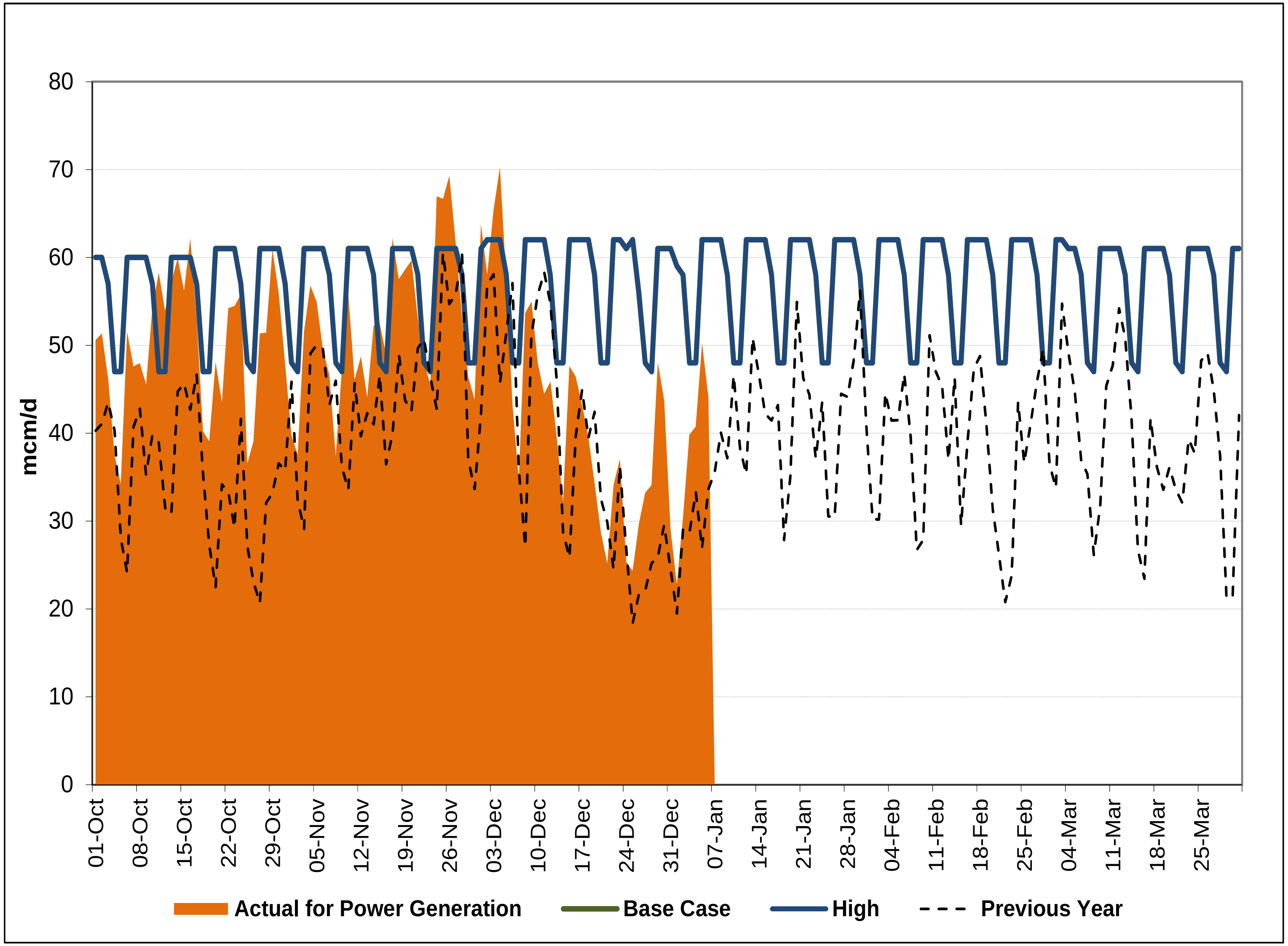
Exit	Min	Max	Ave	Winter Outlook Range [14/15]
Net Demand	164.7	299.4	219.7	215 - 425
SND exc	141	265	207	

Gas Demand Breakdown

1st October 2014 to 31th December 2014 Vs Previous Year



Gas Consumption for Power Generation



Storage Stocks: Position as at 19th Jan 2015

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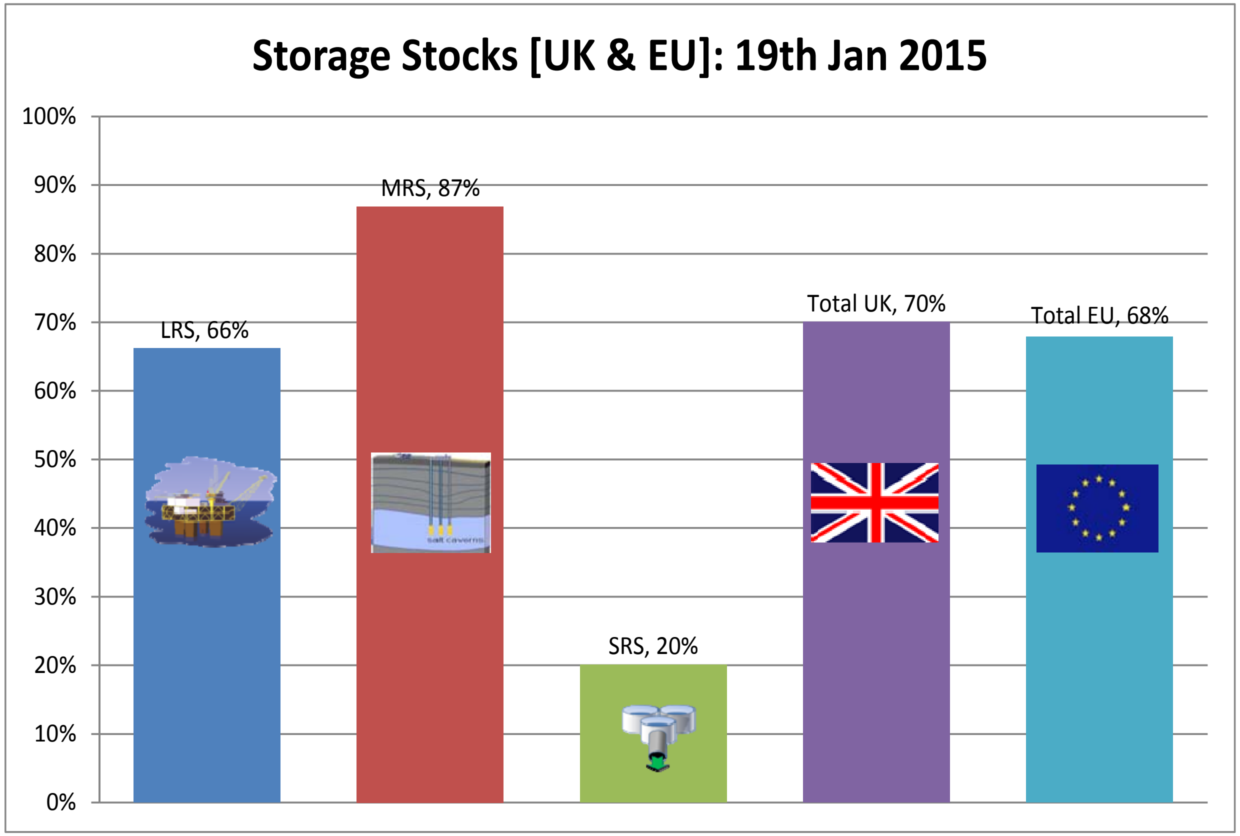
Storage Stocks 14/15 [UK & EU]



- Given the relatively mild winter to date, Storage Stock Levels remain healthy in both UK and EU.
- MRS has been used to balance the shortfall on the NTS.

Energy Balancing [1st Oct to 31st Dec 2014]

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Energy Balancing 14/15

NGG Balancing Actions	Oct 14 to Dec 14	Oct 13 to Dec 13
Buy Actions	60 (78%)	45 (49%)
Sell Actions	17 (22%)	47 (51%)
Buy Actions [Volume: Gwh]	1106	773
Sell Actions [Volume: Gwh]	-350	-697
Number of Balancing Actions	77	92
Number of Material Breaches	0	0
Number of Non - Material Breaches	0	0
NGG set Default Marginal Prices [SMPB: Average %]	15%	18%
NGG set Default Marginal Prices [SMPS: Average %]	9%	22%

Comments

- 36% less NGG Sell actions than the previous year. 33% more NGG Buy actions than the previous year.
- No Material / Non-Material Breaches.

APX Market Prices [Min / Max] – p/th

	SAP	SMPB	SMPS
Oct 14 to Dec 14	40.5 - 59.5	41.3 – 60.4	34.9 – 58.3
Oct 13 to Dec 13	54.4 - 71.9	55.1 – 72.9	47.2 – 70.9

Net Balancing Costs

	Imbalance	Scheduling	OCM	Net
Dec 14	£4,149,604 (CR)	£360,680 (CR)	£5,835,181 (DB)	£1,324,896 (DB)

Capacity Neutrality [1st Apr to 31st Dec 2014]

Capacity Neutrality 14/15			
Revenue / Costs	**April 14 to Dec 14**	**Apr 13 to Dec 13**	**Comments**
WDDSEC/DAI Entry Capacity Revenue	-£285,169	-£454,856	
Total Entry Constraint Management Operational Costs	£0	£0	
Entry Capacity Overrun Revenue	-£237,055	-£110,940	
Non-Obligated Sales Revenue (Entry only)	-£47,851	-£85,537	
Revenue from Locational Sells and PRI Charges	£0	£0	
Net Revenue	-£570,075	-£651,333	

Customer Outputs

Customer Outputs (December 2014)

Customer Output	Performance	Success
Capacity Constraints	None	No Scalebacks or Buy Backs
Pressure Obligations	16 breaches of Agreed / Assured [8 at Non-Significant Offtakes / 8 at Significant Offtakes]	99.6% achieved
Maintenance	4 Non Routine Operations Completed	3 jobs due to complete in December are subject to extensions / replan.
Flow Notifications	50,429 OPNs received 22,879 outside contractual parameters	7 rejections
Gas Quality Events	67 actions taken	No Gas Quality Breaches
Operating Margins	None utilised	
Gas Deficit Warnings	None	
Margins Notices	None	
Balancing Actions	25 Actions [19 Buy / 6 Sell]	