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The small corner of Norfolk that helped defeat Putin's energy war

An unheralded pipeline has transformed Britain into a gas bridge to Europe

By Rachel Millard

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Thousands of miles away from the battle lines in Ukraine, a small crew of yellow-jacketed workers is huddled around a gas pipeline on the Norfolk coast.

Under a grey April sky, they help guide a crane to install new filters inside the giant steel tube, helping block out dust and contaminants.

“The filters take all the nasties out,” says Simon Burrows, manager of the Bacton gas terminal, where the pipes are laid.

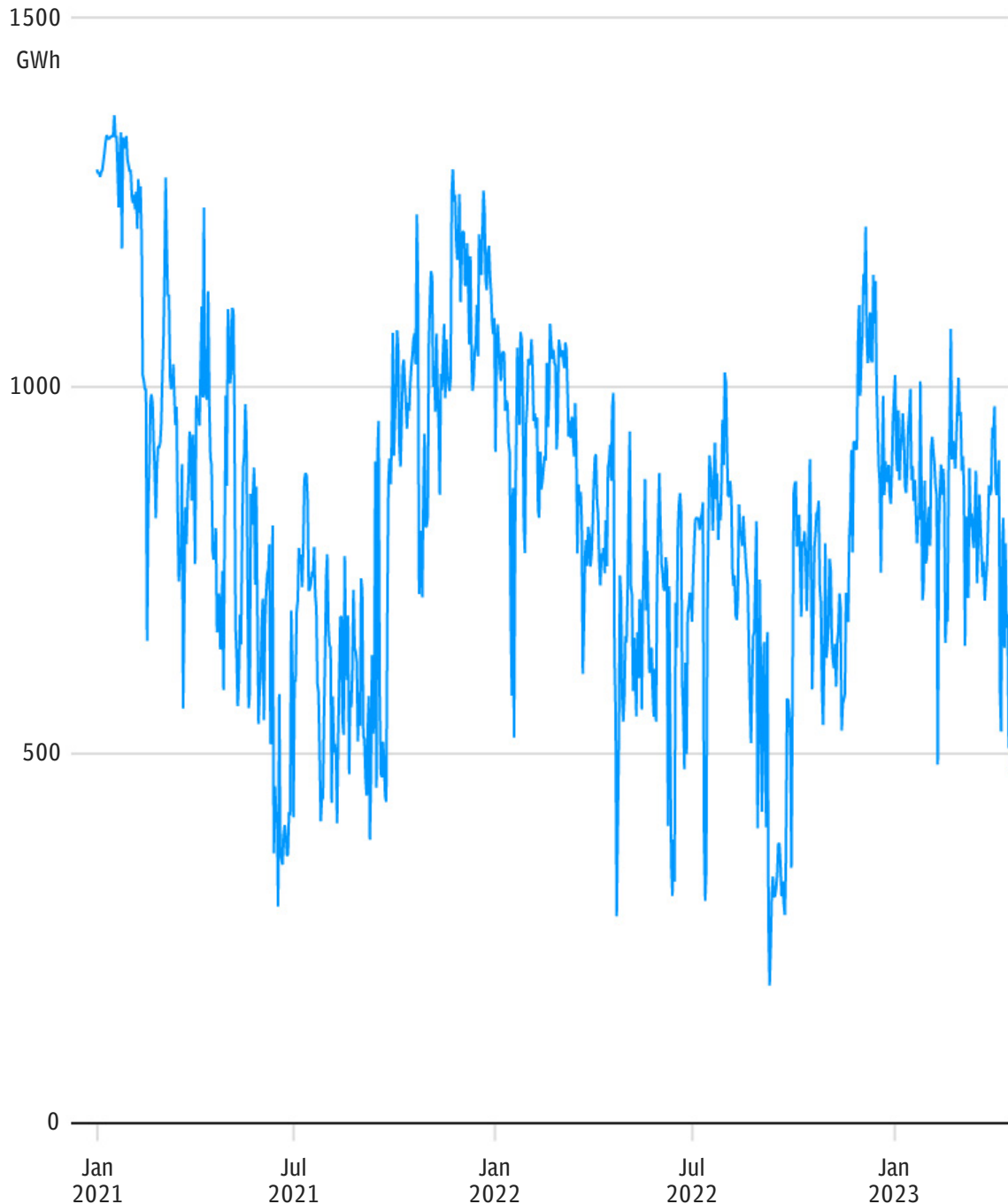
But as the workers prepare for another summer, they find themselves in an unexpected new role: [as a key line of defence in Vladimir Putin's energy war](#).

About 20 miles north-east of Norwich, [Bacton is the landing point for the only two gas pipelines](#) connecting Britain to the continent. They have been running at full tilt to send record amounts of gas to Europe, helping the continent make up for lost Russian imports.

The pipeline network has helped challenge Putin's attempts to strangle energy supplies and weaken the West's support for Ukraine. It is now at the heart of a major shift in energy flows that is strengthening the US and giving Britain a new role as a transit country.

BACTON PIPELINES SEND RECORD AMOUNTS OF GAS TO EUROPE

Net gas flows



SOURCE: ICIS

Over the past few weeks, more gas has been sent via pipelines from Britain to Europe than has been sent in pipelines from Russia to Europe, new analysis shows.

As flows of gas to Europe start to run from West to East rather than vice-versa, [Russia's grip on Europe's economies is weakening](#).

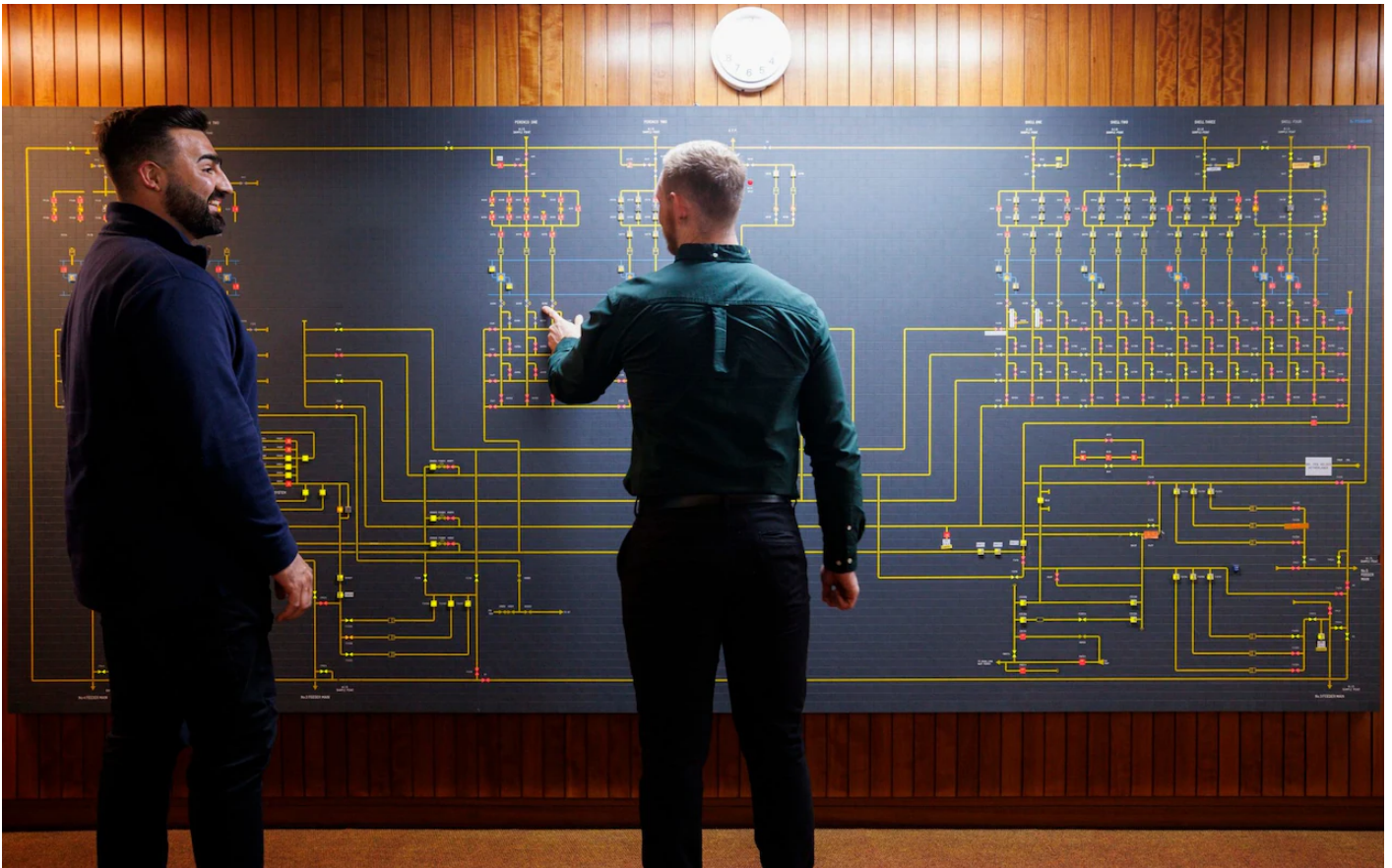
At Bacton, there is quiet pride in the work.

“The job that we do for the UK and for Europe, it’s not been lost on us,” says Mr Burrows.

He remembers seeing the amount of gas passing through Britain increase last year after Russia invaded Ukraine and gradually strangled gas supplies to Europe.

Traders started snapping up shipments of gas from around the world, including the US and Peru, instead in a race to fill gas storage stocks ahead of winter and meet immediate needs. They described a “manic” period as they tried to close deals amid soaring prices and volatility and huge cash collateral requirements, as competition for supplies ramped up.

“A typical day’s work last year was, ‘OMG look where prices are now,’” says one industry source.



Over the past few weeks, more gas has been sent via pipelines from Britain to Europe than has been sent in pipelines from Russia to Europe | CREDIT: Jamie Lorriman

The gas inside these shipments is in liquid form, cooled to -162°C for transportation, and Europe does not have enough terminals to process it back into a gas.

Instead, traders booked capacity to process the shipments at terminals in Wales and Kent, which were built over the past few decades as part of efforts to diversify UK gas supplies.

They then piped the gas across Britain and then over to Europe via the pipelines at Bacton to the Netherlands and Belgium, with higher prices on the continent making this a profitable trade.

It means Britain effectively became a transit country for supplies to Europe, [with gas also supplied to Europe from the North Sea](#).

The huge demand has created challenges for the pipeline network, including a build-up of debris inside the pipes which has at times slowed down or even halted flows.

In July, operators sought emergency permission to increase the pressure on the interconnector pipeline to the Netherlands, so it could export more than normal.

Heading into winter, about 20.5 trillion cubic metres of gas had been piped over to Europe, four times typical volumes, accounting for about a fifth of the continent's gas stocks.

“There was a Herculean effort to reconfigure the network to keep gas flowing to Europe last summer,” says Jon Butterworth, chief executive of National Gas Transmission, which owns Britain's gas transmission network.

“Every site changed how they operate with everyone pushing gas towards Bacton.

“We kept the UK secure whilst driving every bit of gas, beyond what we needed, through Bacton to get European storage up to where it needed to be”.

It has been a lucrative as well as helpful trade for the pipeline owners.

Gasunie, the Dutch state-owned majority owner of infrastructure including the 146 mile BBL pipeline between Bacton and the Netherlands, said its revenues climbed 62pc to €2.2bn (£1.9bn) in 2022.

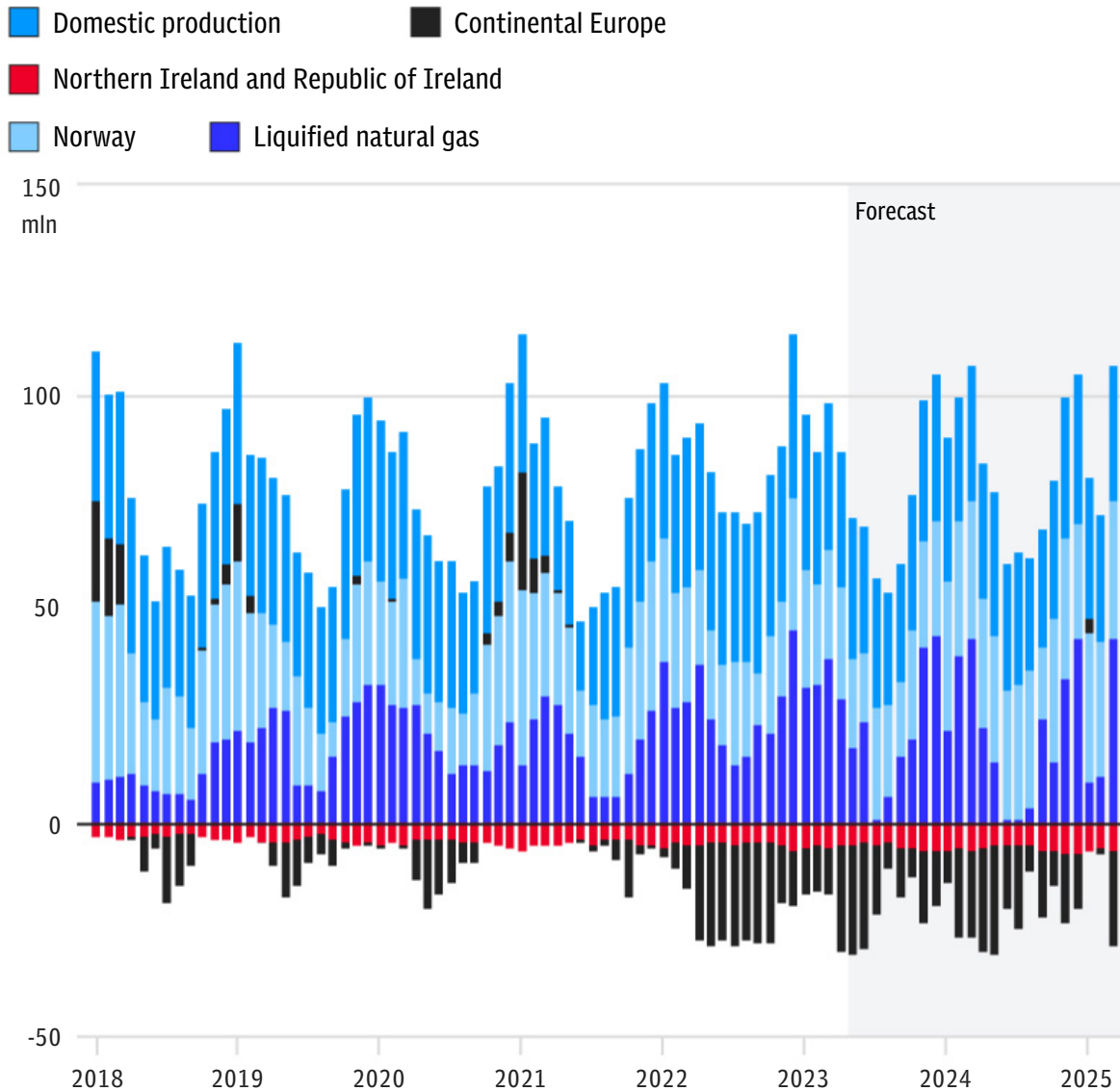
Fluxys, majority owner of the 146-mile Interconnector pipeline to Belgium, posted a 60pc rise in revenues to €912m in 2022.

National Gas Transmission, which was part of National Grid until its sale to a consortium led by Macquarie last year, saw its underlying operating profit climb 15pc to £381m in the six months to the end of September 2022.

[Britain's role as a transit country for gas to Europe](#) looks set to continue: it has been sending more than 650 million cubic metres (mcm) of gas per week to the continent since early April, according to data published by Bruegel, the Brussels think-tank.

BRITAIN TO REMAIN GAS BRIDGE TO EUROPE

Supply and demand forecast (MWh)



SOURCE: ICIS

That is more than the roughly 500mcm per week supplied by pipelines from Russia – a stark shift in flows – although Russia has also sent shipments to Europe.

Forecasts by market experts ICIS covering until March 2025 shows strong pipeline exports through the two pipelines.

That is despite Europe building more terminals of its own to process shipments of liquefied gas, including off the coast of Germany.

The US has indicated it could export 9 billion to 10 billion cubic metres of liquefied natural gas (LNG) via UK gas terminals during this year, more than double pre-war levels.

This would “capitalise on the UK’s leading import infrastructure” and be “good for both UK and European partners”, according to a statement from Number 10 at the time.

“Structurally, Britain is going from being a seasonal importer-exporter, to being a transit nation for global LNG into the north-west European market,” says Tom Marzec-Manser, head of gas analytics at ICIS.

Typically, Britain exports to Europe during summer and imports gas during winter, with the continent's gas stocks effectively acting as extra storage for the UK, which has few.

Pipeline operators switch the direction of the pipes depending on the market, with traders sending gas towards the market with the highest price.

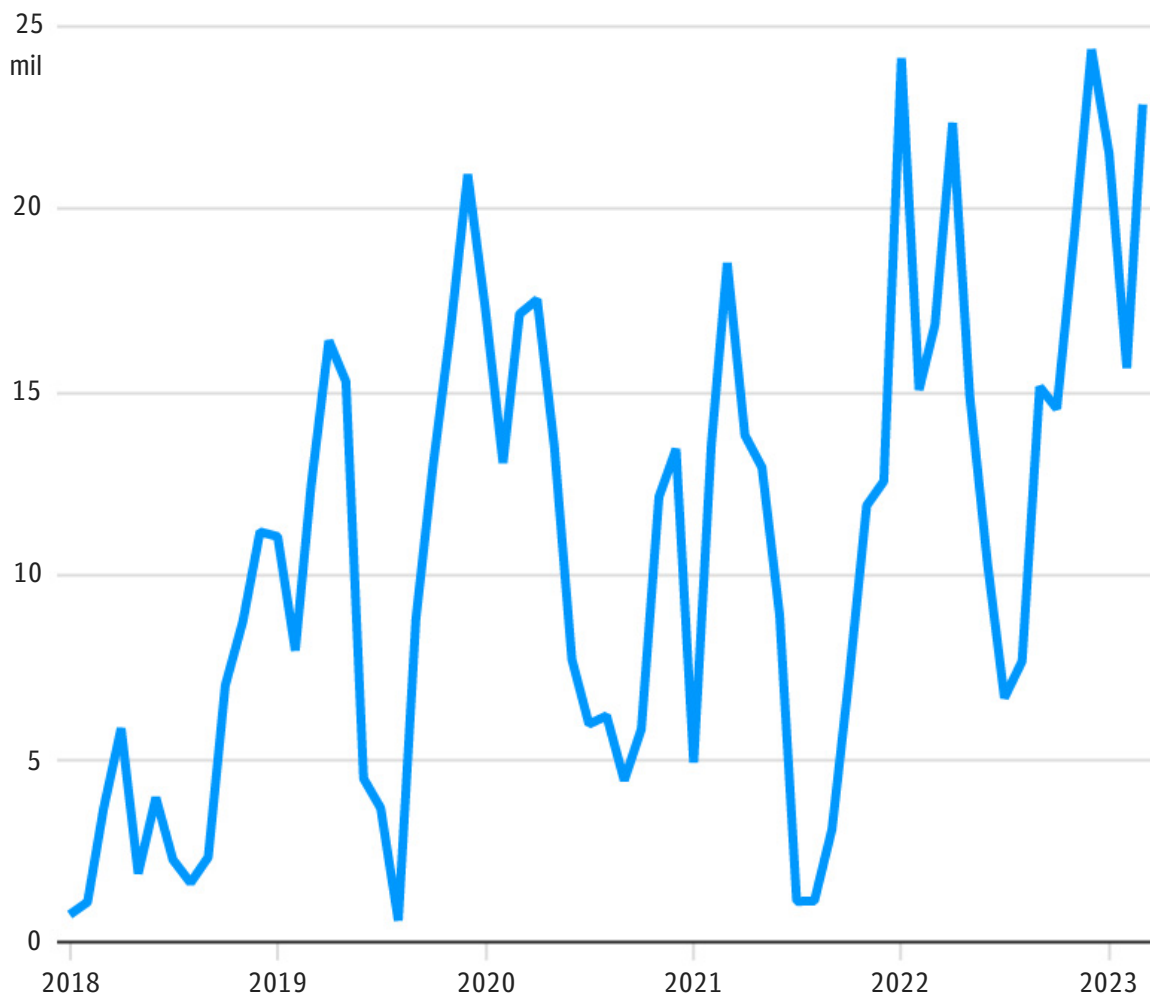
This winter, however, Britain imported very little back over the pipelines, with higher prices in Europe deterring this trade.

Instead, most of the UK's gas during winter came from the North Sea, Norway and [shipments of liquified natural gas](#).

Many experts are concerned that Britain is becoming too reliant on external supplies, and needs more gas storage capacity.

UK'S DEPENDENCE ON LNG IMPORTS DEEPENS

Tonnes of liquified natural gas



SOURCE: ICIS

“In the absence of adequate UK-based gas storage and competing demand for gas in the EU we cannot rely on interconnector supply in winter and are therefore dependent on LNG shipments,” says Clive Moffatt, energy expert at Moffatt Associates.

He is calling for better measures to prevent blackouts and shutdowns in the event of gas shortages.

That has been avoided this winter on both sides of the Channel, despite widespread concern it would happen, albeit with surging prices which have crippled economies.

Consumer demand in the UK fell by about 15pc as high prices deterred usage, according to National Gas Transmission figures published this week.

“The markets have behaved exactly as we would expect them to behave,” says Bridget Hartley, head of operational delivery at National Gas Transmission.

“I think that’s been largely reassuring.”

[Britain’s growing role feeding gas to Europe](#) has shown “you are stronger together when you are more integrated and working together”, she adds.

“In the circumstances where we need the gas back, then I think if we’ve been providing a lot of gas to Europe, we are going to be in a better position to get it back.”

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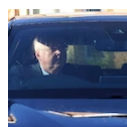
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