

Gas Monthly Winter Update
December 2007

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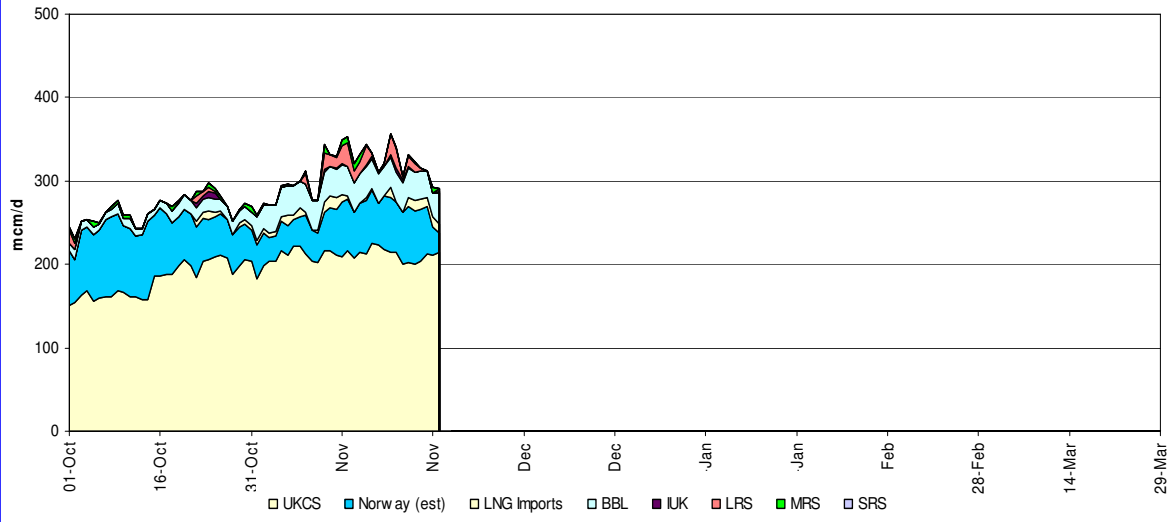
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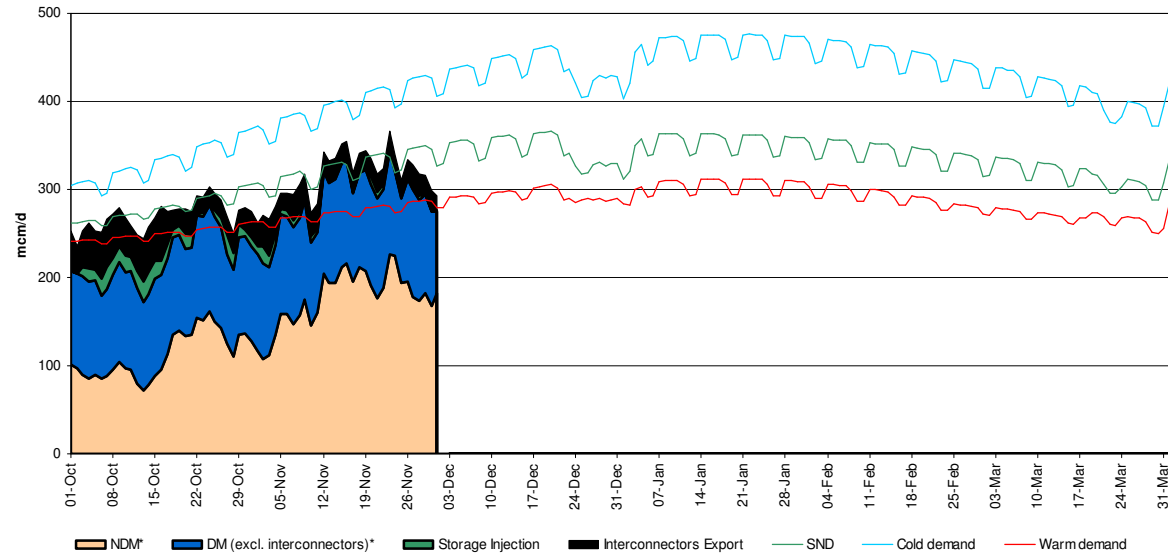
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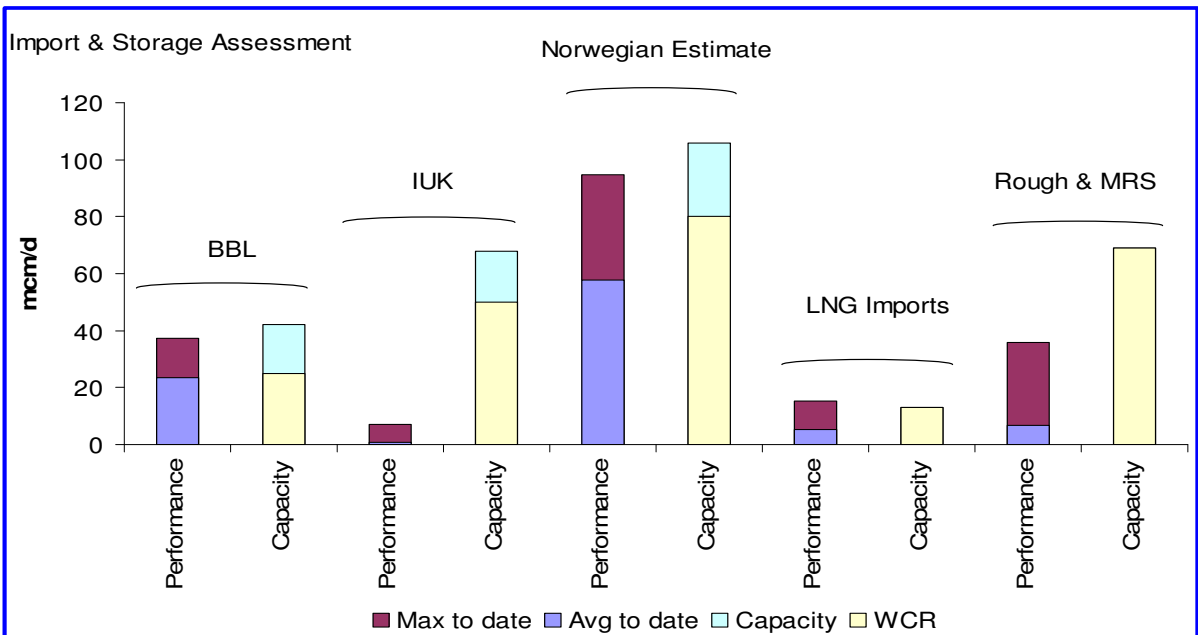
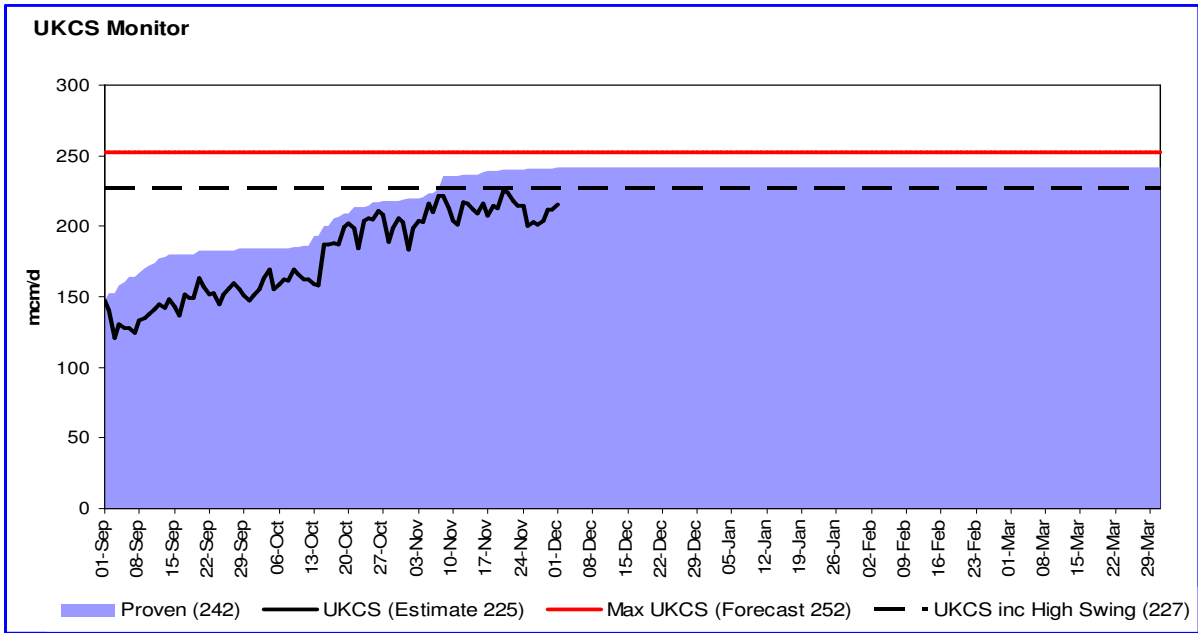
Gas Supply Build Up

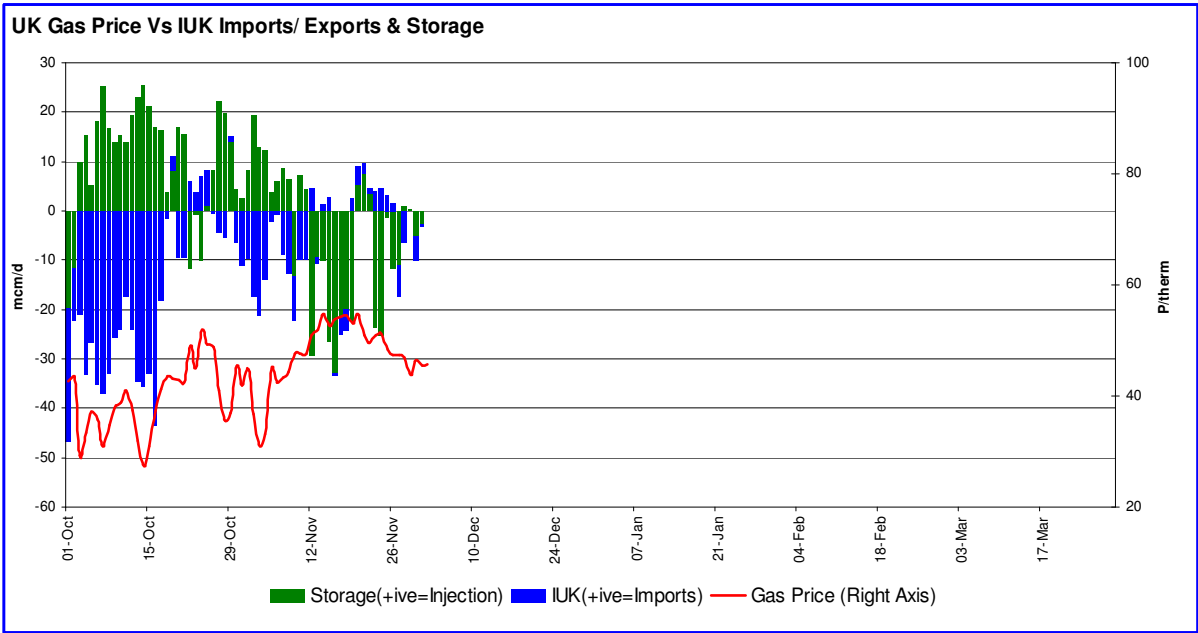


Gas Demands



*Actual from Energy@CV39mj/m3





Supply Assumptions

	Winter Consultation (Sept 2007)	Latest View (1/12/07)	Max to date	Comments
UKCS	227	227	225	All terminals flows broadly in line with forecast including high swing supplies at Bacton - no change to supply assumptions
Norway	80	80	95	Forecast has been exceeded but less delivered at higher demands, latest flows suggest deliveries are increasing – no change to supply assumptions
IUK	50	50	7	No demand conditions yet experienced to test assumptions – no change to supply assumptions
BBL	25	25	37	Above forecast but could be lower at higher demands if more gas directed to Continent - no change to supply assumptions
LNG	33	13	15	Latest view now excludes Milford Haven for winter 2007/8
Total Non-Storage	415	395	380	
Supply Risk	20	0		Supply risk now utilised
Safety Monitor	395	395		
Long Range Storage	37	42	29	Latest view for Rough increased to reflect Transfer & Trades (see below) and recent shipper auctions
Medium Range Storage	45	32	10	Latest view now excludes Aldbrough
Short Range Storage	49	49	0	
Total Storage	131	123	38	
<p>Other comments - Transfer & Trade may lead to higher flows at Easington with lower flows at donor ASEPs. These in turn and other ASEPs may also be higher due to introduction of Discretionary Interruptible Arrangements. As these are yet to be observed, there is no change to the supply assumptions for donor ASEPs</p>				

Glossary

Gas Supply Build-up

- All historic outturn data - from 1 October to present.
- Gas Supply Build-up shows:
 - UKCS
 - Norway (Vesterled (estimate), Langeled and Tampen Link)
 - Interconnector supply (IUK and BBL)
 - LNG imports (IOG and Milford Haven when operational)
 - storage withdrawal (LRS, MRS and SRS)

All in mcm/day.

Exports to Europe and injections into storage are not shown.

Gas Demand

- Exports to Europe and storage injection are included.
- Daily seasonal normal demands are the demands that are forecast to occur in seasonal normal weather based on the weather between October 1987 and September 2004.
- Cold and warm demand profiles are calculated from the demand models and cold and warm CWVs calculated from weather data from October 1928 to September 2006.
- The cold/warm curves are 1 in 20 weekly values.
- Actual demand shows:
 - storage injection (LRS, MRS, SRS)
 - Interconnector export (IUK)
 - LDZ Non Daily Metered (LDZ NDM) (smaller Distribution Network demands including domestic, commercial and smaller industrial)
 - Daily Metered (DM) (mainly large industrials and power station demand)

All in mcm/day.

UKCS Monitor

- Shows actual UKCS performance to-date this winter with a view of expected maximum UKCS performance.
- Proven: Aggregate of maximum daily UKCS terminal flows to date.
- UKCS Estimate: Daily UKCS gas flows (Estimated Norwegian flows have been deducted).
- Max UKCS Forecast: Our 100% UKCS forecast (maximum capability).
- 90% UKCS: Gas levels which may be available under high demand or price conditions.
- "High Swing": Additional gas which may be available, if prices or demands are sufficiently high.

Import Assessment

- Max to date: Maximum flows observed this winter
- Avg to date: Average flows observed this winter
- WCR: Winter Consultation Report view on anticipated supplies.
- Capacity: Maximum theoretical capacity

UK Gas Prices vs IUK & Storage

- Left axis:
 - stacked bar chart showing pipeline import/export flows to and from UK and storage injection/ withdrawal.
 - Imports shows actual flows to and from UK's only bi-directional interconnector, the Belgian Interconnector IUK:
 - +ve implies imports to UK, -ve implies exports from UK
 - Actual storage includes LRS, MRS and SRS:
 - +ve implies injection from NTS (NTS demand), -ve implies withdrawal into NTS (NTS supply)
- Right axis:
 - UK gas prices showing actual on the day gas price (System Average Price (SAP)) in p/therm.