# Gas Security of Supply Policy & Analysis Outlook

Tom Griffiths

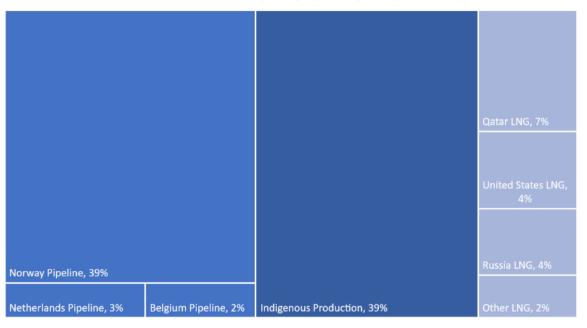
Department for Energy Security and Net Zero





# Global developments posed a significant challenge to the traditional GB policy landscape





Source: BEIS Energy Trends, December 2022

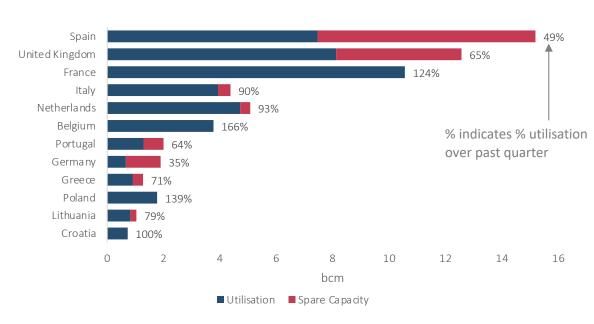
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# Global developments posed a significant challenge to the traditional GB policy landscape (II)

European LNG Quarterly Capacity and Utilisation (October - December 2022)



Source: ICIS/Rystad data

**GB Gas Storage Sites** 



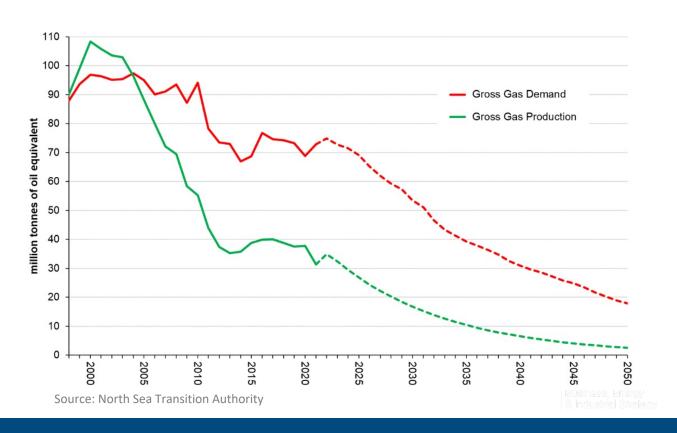
Notes: Eight commercially operated GB natural gas storage sites, max capacity 2.5bcm, max deliverability ~122mcm/day.



# Rapid development of evidence and analytical tools required to support the near-term policy response

Peak Day, N-1 largest loss supply and demand totals and margins, for winter 2022/23 700 605 mcm/d 600 89 533 mcm/d 122 483 mcm/d 500 89 117 9/400 300 97 117 35 141 69 200 141 141 100 117 117 Peak Supply (N-1) Peak demand\* Peak supply UKCS ■ Norway LNG ■ Storage Continental Europe Non-daily metered Daily metered (excluding NTS generation) NTS power generation Exports to Ireland Source: Gas Winter Outlook 2022/23, National Grid

#### An enduring change in policy approach - significant and long-term policy questions unleashed





# An enduring change in policy approach - significant and long-term policy questions unleashed (II)

Assumes large levels of residential heating comes from blue hydrogen, similar to the NZS hydrogen scenario.

No residential end user demand for hydrogen and higher uptake of heat pumps leads to lower gas demand

These broadly correspond with the scenarios and 2035 total gas demand figures from the previous slide

