PRESS NOTICE





Date 27 June 2013

STATISTICAL PRESS RELEASE

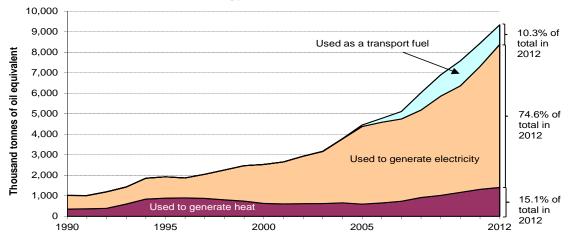
UK Energy Statistics

Energy Trends and Quarterly Energy Prices publications are published today 27 June 2013 by the Department of Energy and Climate Change.

Energy Trends covers statistics on energy production and consumption, in total and by fuel, and provides an analysis of the year on year changes. Quarterly Energy Prices covers prices to domestic and industrial consumers, prices of oil products and comparisons of international fuel prices.

An article on Renewable Energy in 2012, (on pages 49 to 60 of Energy Trends), shows that progress has been made against the UK's 15 per cent target introduced in the 2009 EU Renewable Directive. Using the methodology set out in the Directive, provisional calculations show that 4.1 per cent of energy consumption in 2012 came from renewable sources; this is up from 3.8 per cent in 2011. There was a significant growth in the contribution of renewable electricity, the renewable heating contribution remained constant, but the renewable transport contribution fell. Whilst the 2012 figure is greater than the first interim target of 4.04 per cent as set out in the Directive, that target is defined across 2011 and 2012. Calculating the average contribution across these two years shows that provisionally the UK achieved 3.94 per cent, thus falling short by 275 ktoe (or 3,200 GWh) of Directive compliant renewable energy, within the uncertainty associated with these figures. The chart below shows the use of renewable energy for heat, electricity and transport.

Trends in the use of renewable energy



The main points for the first quarter of 2013 are:

- Final energy consumption was 6.1 per cent higher in the first quarter of 2013, with domestic consumption up 18.2 per cent, reflecting the colder weather, compared to the same quarter a year earlier. The average temperature in the first quarter of 2013 was 2.7 degrees Celsius colder than the same period a year earlier. On a temperature corrected basis, final energy consumption was down 1.5 per cent over the same period.
- Primary energy consumption for energy uses rose by 4.3 per cent. However, when adjusted
 to take account of weather differences between the first quarter of 2012 and the first quarter
 of 2013, primary energy consumption fell by 4.0 per cent.
- The rates of switching in the gas and electricity markets fell sharply in the first quarter of 2013, to the lowest levels since DECC records began in 2003. Electricity transfers fell by 6 per cent compared with a year earlier, to 701,000, whilst gas transfers fell by 21 per cent, to 420,000.
- Total energy production was 10.4 per cent lower than in the first quarter of 2012. This decline
 in output is due to falls in petroleum and gas production as a result of maintenance activity on
 a number of fields; nuclear output was up and there was strong growth in renewables.
- Of electricity generated in the first quarter of 2013, coal accounted for 41 per cent, whilst gas
 accounted for 26 per cent (its lowest first quarter share in the last fifteen years, due to high
 gas prices). Nuclear generation accounted for 18 per cent of total electricity generated in the
 first quarter of 2013.
- Renewable generation grew by 10 per cent, with its share of electricity generation up to 12
 per cent from the 11 per cent share in the first quarter of 2012. Hydro generation decreased
 by 32 per cent on the first quarter of 2012 as a result of lower rainfall, whilst wind generation
 increased by 29 per cent, of which offshore wind generation rose by 68 per cent due to much
 increased capacity.

The June 2013 edition of Energy Trends also includes articles on:

- Physical gas flows across Europe and security and diversity of gas supply in 2011
- Electricity bill variations by tariff type
- The effect of the cold 2012-13 winter on energy prices
- National Energy Efficiency Data-Framework analysis



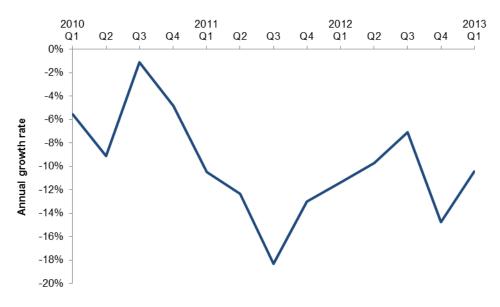
The following are also published today 27 June 2013 by the Department of Energy and Climate Change:

- Monthly and quarterly statistics on the Green Deal and Energy Company Obligation <u>www.gov.uk/government/organisations/department-of-energy-climate-change/series/green-deal-and-energy-company-obligation-eco-statistics</u>
- Quarterly estimates of Home Insulation levels in Great Britain <u>www.gov.uk/government/organisations/department-of-energy-climate-change/series/estimates-of-home-insulation-levels-in-great-britain</u>
- National Energy Efficiency Data-Framework: Summary of Analysis. Part I Domestic consumption: www.gov.uk/government/publications/national-energy-efficiency-data-framework-need-report-summary-of-analysis-2013-part-1
- Sub-national Road Transport energy consumption <u>www.gov.uk/government/organisations/department-of-energy-climate-change/series/road-transport-consumption-at-regional-and-local-level</u>
- Sub-national electricity consumption in Northern Ireland www.gov.uk/government/organisations/department-of-energy-climate-change/series/sub-national-electricity-consumption-in-northern-ireland



TOTAL ENERGY: QUARTER 1 2013

Total Energy - Production



	2013 Q1 <i>Million tonnes of oil equivalent</i>	Percentage change on a year earlier
Total production	30.4	-10.4
Natural and other gases	10.4	-13.5
Oil	11.6	-16.1
Primary electricity ⁽¹⁾	4.7	+7.4
Coal and other solid fuels	3.8	-0.1

(1)Nuclear and wind & natural flow hydro electricity

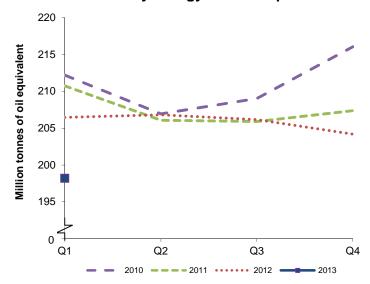
- Total energy production in the first quarter of 2013 was 30.4 million tonnes of oil equivalent, 10.4 per cent lower than in the first quarter of 2012.
- Production of natural and other gases fell by 13.5 per cent and production of oil by 16.1 per cent compared to the first quarter of 2012. These falls were due to continued maintenance activity on a number of fields, and were also affected by the suspension of production from the large Schiehallion oil field.
- Primary electricity output in the first quarter of 2013 was 7.4 per cent higher than in the first quarter of 2012, within which nuclear electricity output was 6.3 per cent higher due to increased availability after outages. Output from wind and natural flow hydro was 13.6 per cent higher than the same period in 2012, due to the continued increase in wind capacity.
- In the first quarter of 2013 production of coal and other solid fuels was 0.1 per cent lower than the corresponding period of 2012.

Total energy quarterly tables ET 1.1 - 1.3 are available on the DECC section of the gov.uk website at: www.gov.uk/government/organisations/department-of-energy-climate-change/series/total-energy-statistics



TOTAL ENERGY: QUARTER 1 2013

Total Primary Energy – consumption⁽¹⁾



(1) Total inland energy consumption on a primary fuel input basis (seasonally adjusted and temperature corrected).

	2013 Q1 Million tonnes of oil equivalent	Percentage change on a year earlier
Total inland energy consumption		
Unadjusted	61.2	+4.3
Seasonally adjusted and temperature corrected –annual rate	198.2	-4.0
Final consumption	45.5	+6.1

When examining seasonally adjusted and temperature corrected annualised rates:

- Total inland energy consumption on a primary fuel input basis was 198.2 million tonnes of oil equivalent in the first quarter of 2013, 4.0 per cent lower than the same quarter in 2012.
- Between the first quarter of 2012 and the first quarter of 2013, coal and other solid fuel consumption fell by 9.8 per cent.
- Oil consumption fell by 6.6 per cent.
- Gas consumption fell by 1.1 per cent.
- Primary electricity consumption rose by 9.1 per cent.

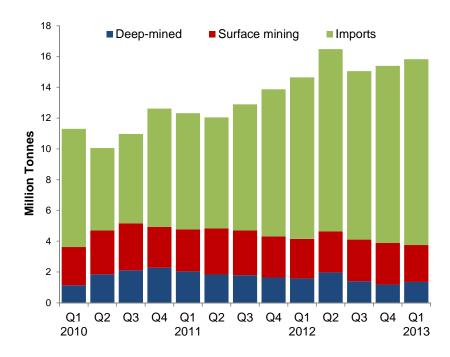
Final energy consumption was 6.1 per cent higher in the first quarter of 2013, with domestic consumption up 18.2 per cent, reflecting the colder weather, compared to the same quarter a year earlier. The average temperature in the first quarter of 2013 was 2.7 degrees Celsius colder than the same period a year earlier. On a temperature corrected basis, final energy consumption was down 1.5 per cent over the same period.

Total energy quarterly tables ET 1.1 – 1.3 are available on the DECC section of the gov.uk website at: www.gov.uk/government/organisations/department-of-energy-climate-change/series/total-energy-statistics



COAL: QUARTER 1 2013

Coal production and imports



	2013 Q1 Thousand tonnes	Percentage change on a year earlier
Coal production	3,869	-6.9
Coal imports	12,068	+15.0
Coal demand	18,295	-0.5
- Power stations	15,820	-1.3
- Coke ovens & blast furnaces	1,550	+3.4
- Final users	686	+6.1

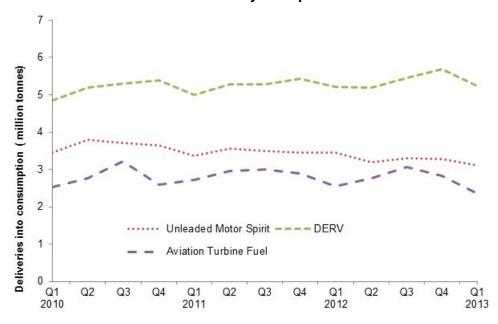
- Provisional figures for the first quarter of 2013 show that coal production (including an estimate for slurry) at 3.9 million tonnes was 6.9 per cent lower than the first quarter 2012.
 The decrease was a result of the mothballing of Maltby Colliery, and the fire at Daw Mill colliery during February 2013, forcing the mine to close the following month.
- Imports of coal in the first quarter of 2013 were 15.0 per cent higher than in the first quarter of 2012 at 12.1 million tonnes.
- Total demand for coal in the first quarter of 2013, at 18.3 million tonnes, was 0.5 per cent lower than in the first quarter of 2012. Consumption by electricity generators was down by 1.3 per cent to 15.8 million tonnes.
- Coal stocks showed a seasonal fall of 2.4 million tonnes during the first quarter of 2013 and stood at 10.7 million tonnes, 1.5 million tonnes lower than at the end of March 2012

Coal quarterly tables ET 2.1 – 2.3 are available on the DECC section of the gov.uk website at: www.gov.uk/government/organisations/department-of-energy-climate-change/series/coal-statistics



OIL: QUARTER 1 2013

Demand for key transport fuels



	2013 Q1 Thousand tonnes	Percentage change on a year earlier
Oil production	10,573	-16.1
Refinery throughput	16,357	-12.9
Net imports	5,850	+13.7
Primary demand	16,196	-3.8
- Motor spirit	3,109	-9.8
- DERV fuel	5,239	+0.6
 Aviation turbine fuel 	2,363	-7.7

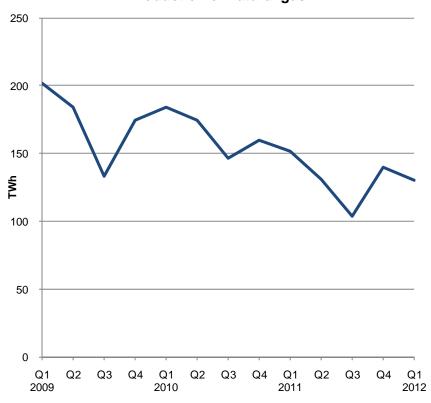
- Total indigenous UK production of crude oil and NGLs in the first quarter of 2012 fell by 16.1
 per cent when compared with the first quarter of 2012. Refinery throughput decreased by 12.9
 per cent reflecting the closure of the Coryton oil refinery.
- The UK was a net importer of oil and oil products in the first quarter of 2012 by 5.8 million tonnes. In the same period of 2011 the UK was a net importer by 5.1 million tonnes.
- Overall primary demand for oil products in the first quarter of 2012 was 3.8 per cent lower than last year.
- Sales of Motor Spirit decreased substantially mainly on the back of higher sales in Q1 2012 last year in anticipation of the potential tanker drivers' strike. Growth of DERV was muted for much the same reason. Demand for aviation fuel fell; whilst passenger numbers were robust, indications were that increasing fuel efficiency and some rationalisation of routes contributed to this decrease.

Oil quarterly tables ET 3.1 – 3.7 are available on the DECC section of the gov.uk website at: www.gov.uk/government/organisations/department-of-energy-climate-change/series/oil-statistics



GAS: QUARTER 1 2013

Production of natural gas



	2013 Q1 <i>TWh</i>	Percentage change on a year earlier
Gas production	113.2	-14.6
Gas imports	181.7	+7.6
Gas exports	21.7	-39.9
Gas demand	311.4	+11.5
- Electricity generation	58.9	+1.2
- Domestic	156.6	+21.5

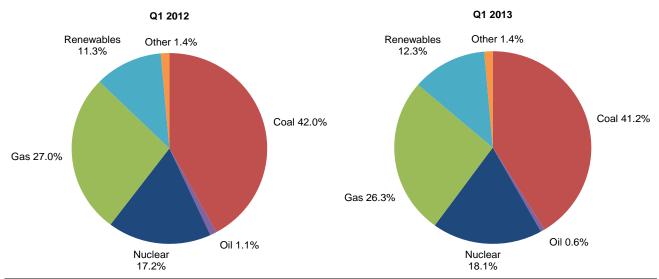
- Total indigenous UK production of natural gas in the first quarter of 2012 was 113.2 TWh,
 14.6 per cent lower than a year before.
- Imports of gas increased by 7.6 per cent compared to Q1 2012, with shipped imports of LNG
 accounting for 8.8 per cent of all imports. Global competition for LNG has increased so there
 has been a substantial reduction in LNG imports into the UK. The majority of the UK imports
 originated in Norway (58 per cent).
- UK gas demand increased by 11.5 per cent compared to Q1 2012, principally as a result of the cold weather leading to greater demand for domestic and other users.

Gas quarterly table ET 4.1 is available on the DECC section of the gov.uk website at: www.gov.uk/government/organisations/department-of-energy-climate-change/series/gas-statistics



ELECTRICITY: QUARTER 1 2013

Electricity generated



	2013 Q1 <i>TWh</i>	Percentage change on a year earlier
Electricity		
Generated from		
Coal	41.56	-1.2
Nuclear	18.28	+6.3
Gas	26.52	-2.0
Renewables	12.40	+10.0
Total	100.82	+0.7
Supplied to		
Industry	25.64	+3.8
Domestic	34.19	+2.3
Other final consumers	28.40	+1.9
All	88.22	+2.6

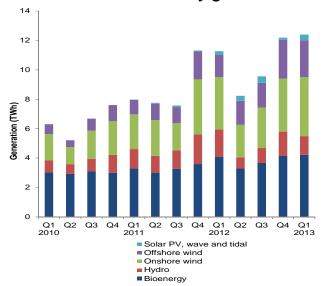
- Fuel used by generators in the first quarter of 2013 was 1.4 per cent higher than in the first quarter of 2012.
- Generation from coal in the first quarter of 2013 fell by 1.2 per cent, while gas fell by 2.0 per cent compared with a year earlier. Nuclear rose by 6.3 per cent due to increased availability after outages in the same quarter a year ago.
- Low carbon generation accounted for 30.4 per cent of generation in Q1 2013, compared to 28.4 per cent in the same period of 2012.
- Total electricity generated in the first quarter of 2013 was 0.7 per cent higher than a year earlier.
- Final consumption of electricity provisionally rose by 2.6 per cent in the first quarter of 2013.
 Domestic use increased by 2.3 per cent, consumption by the service sector was up 1.9 per cent, and industrial use was up 3.8 per cent.

Electricity quarterly tables ET 5.1 – 5.2 are available on the DECC section of the gov.uk website at: www.gov.uk/government/organisations/department-of-energy-climate-change/series/electricity-statistics



RENEWABLES: QUARTER 1 2013

Renewable electricity generation



	2013 Q1 TWh	Percentage change on a year earlier
Renewable electricity generation		,
Onshore wind	4.01	+12.7
Offshore wind	2.51	+68.1
Hydro	1.28	-32.1
Solar PV, wave and tidal	0.38	+44.1
Bioenergy (inc. co-firing)	4.22	+3.5
All renewables	12.40	+10.0

- Renewable electricity generation was 12.4 TWh in the first quarter of 2013, an increase of 10.0 per cent on the 11.3 TWh in the first quarter of 2012. Offshore wind showed the highest absolute increase in generation in 2013 Q1, increasing by 68 per cent, from 1.5 TWh in 2012 Q1 to 2.5 TWh, as a result of much increased capacity. Onshore wind and solar PV also showed large increases due to increased capacity. Generation from hydro was down, however, due to lower rainfall. Increased generation from plant biomass (due to Tilbury being fully operational) was countered by reduced generation from co-firing, with bioenergy generation as a whole up 3.5 per cent.
- Renewables' share of electricity generation increased from 11.3 per cent in the first quarter of 2012, to 12.3 per cent in the first quarter of 2013.
- Renewable electricity capacity was 17.6 GW at the end of the first quarter of 2013, a 33 per cent increase (4.4 GW) on a year earlier.
- Renewable transport: Liquid biofuels represented 3.0 per cent of petrol and diesel consumed in road transport in the first quarter of 2013.

Renewables quarterly tables ET 6.1 – 6.2 are available on the DECC section of the gov.uk website

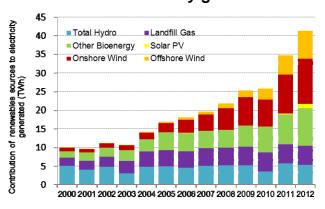
www.gov.uk/government/organisations/department-of-energy-climate-change/series/renewables-statistics



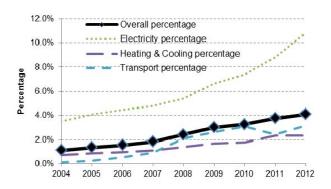
RENEWABLES: 2012

A special feature in the June 2013 edition of Energy Trends looks at Renewable energy in 2012. It includes summary renewables statistics for 2012, which are published for the first time. A full set of renewables statistics will appear in the Digest of United Kingdom Energy Statistics 2013, which will be published on 25 July 2013. The main features of the latest statistics are:

Renewable electricity generation



UK progress towards the 2009 Renewable Energy Directive¹



	2010	2011	2012
Percentage of electricity from renewable sources ¹	7.4	8.8	10.8
Percentage of heating and cooling from renewable sources	1.8	2.3	2.3
Percentage of transport energy from renewable sources	3.1	2.4	3.2
Overall renewable consumption as a percentage of capped gross final energy consumption using net calorific values [not directly calculated from the three percentages above]	3.3	3.8	4.1

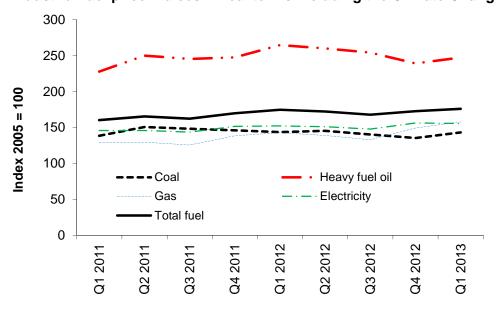
¹Normailisation used for wind and hydro electricity generation.

- The amount of electricity generated from renewables sources in 2012 was 41,258 GWh, a 19 per cent increase during the year.
- Offshore wind generation increased by 46 per cent, and onshore wind generation increased by 17 per cent.
 Generation from bioenergy sources was 15 per cent higher, however hydro generation fell by 7 per cent.
- Generation capacity increased by 3.3 GW (27 per cent) to 15.5 GW.
- Heat from renewable sources increased by 7 per cent during 2012 (to 1,409 ktoe); renewable biofuels for transport fell by 7 per cent (to 1,127 ktoe).
- Renewable transport fuels accounted for 3.1 per cent of road transport fuels in 2012.
- Renewable energy provisionally accounted for 4.1 per cent of energy consumption, as measured using the 2009 Renewable Energy Directive methodology. This is an increase of 0.3 percentage points from the 2011 position of 3.8 per cent.
- Interim targets were specified in the Renewable Energy Directive, resulting in a 4.04 per cent target for the UK. Whilst the 2012 Directive percentage figure is greater than the first interim target, that target is defined as a 2011-2012 target. Calculating the average contribution across these two years shows that provisionally the UK achieved 3.94 per cent, thus falling short by 275 ktoe (or 3,200 GWh) of Directive compliant renewable energy. DECC's normal practise in reporting deployment of renewables is to calculate rates to 1 decimal place, which recognises the uncertainty in estimates of both renewables and final energy consumption. As such whilst the estimate of 3.94 per cent is our best estimate, uncertainty attached to this estimate would cover the 275 ktoe shortfall.
- A number of weather factors had a major impact on renewable electricity generation during 2012; average rainfall levels in hydro catchment areas were 24 per cent lower than in 2011, but at a similar level to the average between 2002 and 2011. Average windspeeds were 0.8 knots lower than in 2011, and 0.6 knots lower than the 10 year average. Whilst these factors affect the raw 2012 generation outputs of renewables, the Renewable Energy Directive measure uses a normalisation approach to smooth the year on year impacts of differing wind and rain patterns.



INDUSTRIAL PRICES: QUARTER 1 2013

Industrial fuel price indices in real terms including the Climate Change Levy



Fuel prices index in real terms ⁽¹⁾ 2005=100	2013 Q1	Percentage change on a year earlier
Coal	143.2	-0.2
Heavy fuel oil	247.2	-6.6
Gas	157.8	+10.5
Electricity	155.6	+2.3
Total fuel	176.1	+0.8

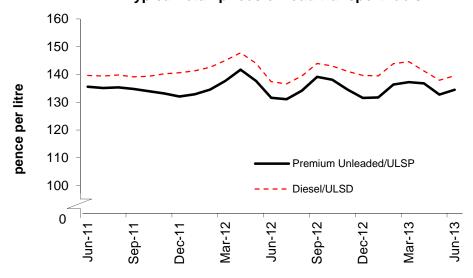
- (1) Deflated using the GDP implied deflator. Includes estimates of the average Climate Change Levy paid.
 - Average industrial gas prices, including CCL were 10.5 per cent higher in real terms in Q1 2013 compared to Q1 2012, whilst prices excluding CCL were 11.2 per cent higher.
 - Average industrial electricity prices were 2.3 per cent higher including CCL and 2.4 per cent higher excluding CCL, in real terms, in Q1 2013 compared to Q1 2012.
 - Average coal prices were 0.2 per cent lower in real terms including CCL and broadly unchanged excluding CCL in Q1 2013 compared to Q1 2012. Heavy fuel oil prices were 6.6 per cent lower in real terms than a year ago.
 - For the period July to December 2012, prices for industrial electricity consumers including taxes were above the EU15 median for all consumers except small consumers, which were at the median. UK industrial gas prices were the lowest in the EU15 for all sizebands of consumer including and excluding tax.

Industrial prices tables are available on the DECC section of the gov.uk website at: www.gov.uk/government/organisations/department-of-energy-climate-change/series/industrial-energy-prices



ROAD TRANSPORT FUEL PRICES: QUARTER 1 2013

Typical retail prices of road transport fuels



Retail prices of petroleum products	Mid June 2013 ⁽¹⁾ Pence per litre	Percentage change on a year earlier
Unleaded petrol (2)	134.5	+2.1
Diesel (2)	139.5	+1.5

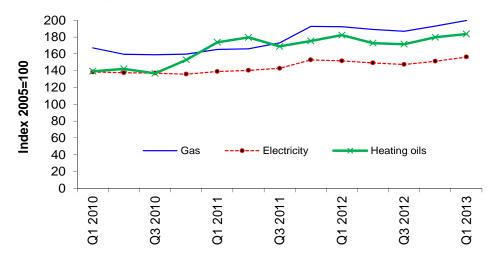
- (1) Prices are for ultra low sulphur versions of these fuels.
- (2) Prices are provisional estimates.
 - In mid June 2013, a litre of unleaded petrol was on average 134.5 pence per litre, 2.8 pence per litre higher than a year earlier, and 7.3 pence per litre lower than the high reached in April 2012.
 - In mid June 2013, diesel was on average 139.5 pence per litre, 2.1 pence per litre higher than a year earlier, and 8.2 pence per litre below the peak seen in April 2012.
 - In May 2013, the UK retail price for petrol was ranked seventh lowest in the EU. UK diesel prices were the second highest in the EU.
 - The price difference between diesel and petrol in June 2013 is 5.1 pence per litre, a decrease on the previous month.
 - Between March 2012 and May 2013, the price of crude oil acquired by refineries fell by 15.6 per cent in £ sterling.

Road transport fuel prices tables are available on the DECC section of the gov.uk website at: www.gov.uk/government/organisations/department-of-energy-climate-change/series/road-fuel-and-other-petroleum-product-prices



DOMESTIC PRICES: QUARTER 1 2013

Fuel price indices in the domestic sector in real terms



Retail price index fuel components in real terms (1) 2005=100	2013 Q1	Percentage change on a year earlier
Coal and smokeless fuels	147.9	-3.1
Gas	199.6	+3.8
Electricity	156.2	+3.0
Heating oils	183.6	+0.7
Total fuel and light	174.1	+3.1

- (1) Deflated using the GDP implied deflator. The original source of the indices is ONS.
 - Q1 2013 data shows that the price paid for all fuel and light by household consumers has risen by 3.1 per cent in real terms between Q1 2012 and Q1 2013, and by 3.2 per cent between Q4 2012 and Q1 2013.
 - Domestic electricity prices, including VAT, in Q1 2013 were 3.0 per cent higher in real terms than in Q1 2012. Prices were 3.3 per cent higher than in Q4 2012.
 - The price of domestic gas, including VAT, rose by 3.8 per cent in real terms between Q1 2012 and Q1 2013, and by 3.5 per cent between Q4 2012 and Q1 2013.
 - All of the 6 major electricity and gas suppliers increased prices for both gas and electricity in the fourth quarter of 2012 or first quarter of 2013, averaging around 8 per cent for each fuel.
 - For the period July to December 2012, prices for medium domestic gas and electricity consumers, including tax, were the lowest and fifth lowest in the EU15 respectively.

Switching levels

- The rates of switching in the gas and electricity markets fell sharply in the first quarter of 2013, to the lowest level since DECC records began in 2003.
- The number of electricity transfers fell by 6 per cent compared with the same quarter a year earlier, to 701,000. The number of gas transfers fell by 21 per cent, to 420,000.

Domestic prices tables are available on the DECC section of the gov.uk website at: www.gov.uk/government/organisations/department-of-energy-climate-change/series/domestic-energy-prices



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Notes to editors

1. More detailed figures of United Kingdom energy production and consumption and of energy prices, for the first quarter of 2013 are given in the June 2013 editions of ENERGY TRENDS and QUARTERLY ENERGY PRICES respectively, the Department's statistical bulletins on energy, published on 27 June 2013.

2. Energy Trends and the Quarterly Energy Prices bulletins, published quarterly, are available in hard copy from DECC on subscription, price £40 per annum and on the DECC section of the gov.uk website at

www.gov.uk/government/organisations/department-of-energy-climate-change/about/statistics

3. Articles featured in Energy Trends are also available on the DECC section of the gov.uk website at:

<u>www.gov.uk/government/organisations/department-of-energy-climate-change/series/energy-trends-articles.</u>

4. For new subscription queries or a subscription form, telephone SSD on 01904 455395 or you can write to: SSD/Finance, 2nd Floor, Foss House, 1-2 Peasholme Green, York YO1 7PX.

A subscription form is also available on the DECC section of the gov.uk website at: www.gov.uk/government/organisations/department-of-energy-climate-change/series/energy-trends

Single copies of Energy Trends and Quarterly Energy Prices are also available from the DECC Publications Orderline priced £6 and £8 respectively:

Phone: 0845 504 9188

E-mail: deccteam@decc.ecgroup.net

5. More detailed annual data on energy production and consumption for the years 2007 to 2011 are available in the DIGEST OF UNITED KINGDOM ENERGY STATISTICS 2012, published by the Stationery Office on 26 July 2012, priced £62. The 2013 edition of the Digest will be published on 25 July 2013.

All information contained in the Digest is available on the DECC section of the gov.uk website at: www.gov.uk/government/organisations/department-of-energy-climate-change/series/digest-of-uk-energy-statistics-dukes

6. Please note that the old DECC website moved to the new gov.uk website (www.gov.uk/) on 23 January 2013. All previous links should redirect to the new website; however, if users experience any difficulty in locating Energy Trends and Prices publications or tables on the new website they should contact the DECC Energy Statistics contacts shown for each section or article within the publications.

