

PRESS NOTICE



Department
of Energy &
Climate Change



STATISTICAL PRESS RELEASE

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UK Energy Statistics, 2014 & Q4 2014

Energy Trends and Energy Prices publications are published today 26 March 2015 by the Department of Energy and Climate Change. The publications cover new data for the fourth quarter of 2014 and thus provisional annual data for 2014. This press release focuses mainly on the 2014 annual data.

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

The key points from 2014 are:

- Total energy production was 1.5 per cent lower than in 2013. This rate of decrease though, was the lowest for 12 years, and was due to falls in nuclear output, and lower production of both coal and oil. Gas output increased for the first time since 2000. There was also continued growth from renewables.
- Total primary energy consumption for energy uses fell by 6.4 per cent from 2013. When adjusted to take account of weather differences between 2013 and 2014, primary consumption fell by 2.4 per cent.
- Final energy consumption was 5.6 per cent lower than in 2013, with falls in the domestic, services and industrial sectors but with a rise in the transport sector. Domestic consumption fell by 14.0 per cent, with average temperatures in 2014 at record levels. On a seasonally and temperature adjusted basis final energy consumption was 1.2 per cent lower than in 2013.
- Low carbon electricity's share of generation increased from 34.6 per cent in 2013 to 38.3 per cent in 2014, due to higher renewables generation.
- Of electricity generated in 2014, gas accounted for 30.2 per cent (an increase of 3.6 percentage points on 2013) due to lower wholesale gas prices between June and August and to help meet the shortfall in generation caused by nuclear outages in the second half of the year, and coal accounted for 29.1 per cent (a decrease of 7.4 percentage points on 2013) due to plant closures and conversions. Nuclear's share of generation decreased by 0.6 percentage points on 2013, to 19.0 per cent of the total due to outages in the second half of the year.

- Renewable electricity generation was 64.4 TWh in 2014, an increase of 20 per cent on the 53.7 TWh in 2013, with bioenergy up by 24 per cent and wind generation up 11 per cent. Renewables' share of electricity generation was a record 19.2 per cent in 2014, an increase of 4.3 percentage points on the 14.9 per cent in 2013. Renewable electricity capacity was 24.2 GW at the end of 2014, a 23 per cent increase (4.5 GW) on a year earlier.
- Average annual household standard electricity bills (fixed consumption of 3,800 kWh per annum) across all payment types in 2014 are £15 higher than in 2013 (up 2.6 per cent to £592), and average gas bills (fixed consumption of 15,000 kWh per annum) across all payment types are £23 higher (up 3.2 per cent to £752). Bill estimates have taken account of the £12 rebate received by all electricity customers in Great Britain.

Other highlights from 2014 include:

- Imports in 2014 were 8.1 per cent lower than in 2013, with exports down 7.8 per cent to their lowest level since 1980. As a result, net import dependency fell back to 46 per cent.
- Oil production was 2.3 per cent lower than in 2013, the lowest annual production volume since our current reporting system began. However, the rate of decline has slowed on recent years. Production of petroleum products was down 8.8 per cent, the closure of Milford Haven refinery in 2014 and rationalisation at other refineries were key factors.
- Natural gas production was 0.3 per cent higher than in 2013 and, at around 425 TWh was the first year-on-year increase in production since 2000. Gas exports and imports were, respectively, 16.8 per cent higher and 10.8 per cent lower than in 2013.
- Coal production was 10.2 per cent lower than in 2013 mainly due to geological conditions and weather conditions at some mines, and at a record low level. Coal imports were 17.7 per cent lower. Generators' demand for coal was lower by 23 per cent. Coal stocks rose as a result of less coal being used for electricity generation.
- Gas demand was 9.2 per cent lower than in 2013, whilst electricity consumption was 4.3 per cent lower than in 2013 and at its lowest level since 1998, with both falls driven by the warmer weather in 2014.
- Electricity generated in 2014 fell by 6.7 per cent, from 359.2 TWh a year earlier to 335.0 TWh, with a large fall in generation from coal.

For more detailed information on methodology, quality assurance and use of the data, please refer to the methodology notes available by energy sector on the DECC section of the GOV.UK website at: www.gov.uk/government/organisations/department-of-energy-climate-change/about/statistics



The March 2015 edition of Energy Trends also includes articles on:

- Domestic energy bills in 2014 the impact of variable consumption
- Variation in tariff types and energy bills
- Visualising non-gas grid households in Great Britain
- Sub-national consumption statistics: Data at postcode level
- Non-domestic Renewable Heat Incentive
- International comparisons of energy efficiency indicators
- Non-domestic National Energy Efficiency Data Framework – new publication
- UKCS Capital Expenditure Survey 2014

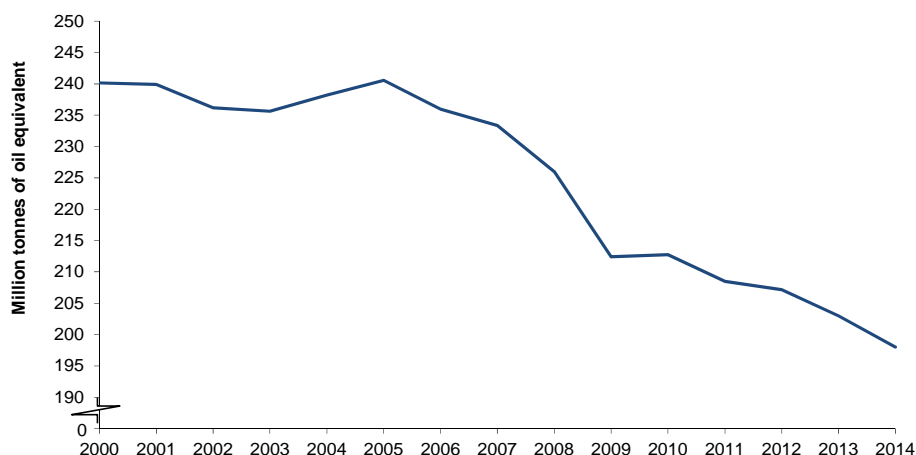
The following statistics are also published today 26 March 2015, by the Department of Energy and Climate Change:

- Greenhouse Gas Emissions, 2014 provisional figures
www.gov.uk/government/collections/provisional-uk-greenhouse-gas-emissions-national-statistics



TOTAL ENERGY: 2014

Total Primary Energy – consumption⁽¹⁾



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

	2014 Million tonnes of oil equivalent	Percentage change on a year earlier
Total production	112.6	-1.5
Total consumption		
<i>Unadjusted</i>	192.7	-6.4
<i>Seasonally adjusted and temperature corrected –annual rate</i>	198.0	-2.4
Final energy consumption	142.1	-5.3

- Total energy production in 2014 was 112.6 million tonnes of oil equivalent, 1.5 per cent lower than in 2013, due to falls in nuclear output, and lower production of both coal and oil. Production of gas and renewables increased.

When examining seasonally adjusted and temperature corrected annualised rates:

- Total inland consumption on a primary fuel input basis was 198.0 million tonnes of oil equivalent in 2014, 2.4 per cent lower than in 2013.
- Between 2013 and 2014 coal and other solid fuel consumption fell by 14.2 per cent, oil consumption rose by 0.2 per cent, and gas consumption fell by 1.3 per cent.
- Bioenergy and waste consumption rose by 18.7 per cent, reflecting higher use in electricity generation, whilst consumption from nuclear fell by 9.7 per cent.

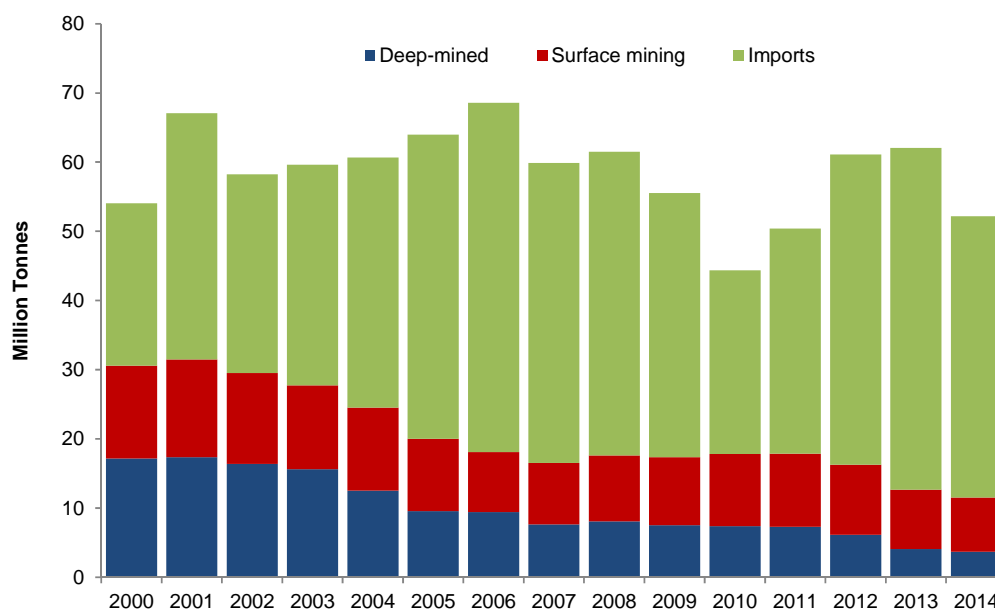
Final energy consumption (excluding non-energy use) was 5.6 per cent lower than in 2013, with average temperatures in 2014 at record levels, resulting in domestic consumption down by 14.0 per cent. On a temperature corrected basis, final energy consumption fell 1.2 per cent, with domestic consumption down 1.5 per cent.

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/publications/total-energy-section-1-energy-trends



COAL: 2014

Coal production and imports



	2014 <i>Million tonnes</i>	Percentage change on a year earlier
Coal production	11.54	-10.2
Coal imports	40.65	-17.7
Coal demand	48.14	-20.3
- Power stations	38.40	-23.3
- Coke ovens & blast furnaces	6.35	-5.2
- Final users	2.53	-11.1

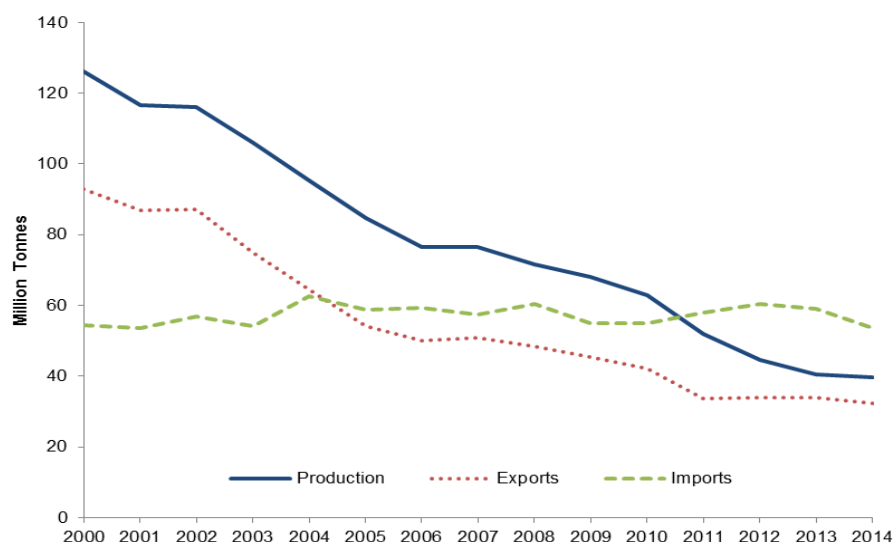
- Provisional figures for 2014, as a whole, show that coal production fell to a new record low of 11.5 million tonnes, 10 per cent down on 2013. This was due to a number of collieries/companies closing, and geological conditions at some of the remaining mines. Deep mined production was down 9.9 per cent at 3.7 million tonnes, the lowest on record. Surface mine production was down by 8.6 per cent, also a record low.
- Imports of coal in 2014 as a whole were 17.7 per cent down on 2013 at 40.7 million tonnes. This was due to lower demand.
- Total demand for coal in 2014 was 48.1 million tonnes, 20 per cent lower than in 2013, with consumption by electricity generators down by 23 per cent (-11.6 million tonnes).
- Coal stocks showed a seasonal fall of 0.7 million tonnes during the fourth quarter of 2014 and stood at 19.0 million tonnes, 3.7 million tonnes higher than at the end of December 2013.

Coal quarterly tables ET 2.1 – 2.3 are available on the DECC section of the GOV.UK website at: www.gov.uk/government/publications/solid-fuels-and-derived-gases-section-2-energy-trends



OIL: 2014

Production and trade of crude oil and NGLs



	2014 Million tonnes	Percentage change on a year earlier
Primary oil production	39.7	-2.3
Primary oil demand	59.2	-8.9
Net imports (primary oil)	20.3	-15.7
Net Imports (oil products)	7.9	(+)
Refinery production	61.3	-8.8
Petroleum demand	66.3	0.0
- Motor spirit (including biofuels)	12.3	-2.0
- DERV (diesel, including biofuels)	22.7	+3.4
- Aviation turbine fuel	11.5	+3.9

(+) percentage change greater than 100 per cent

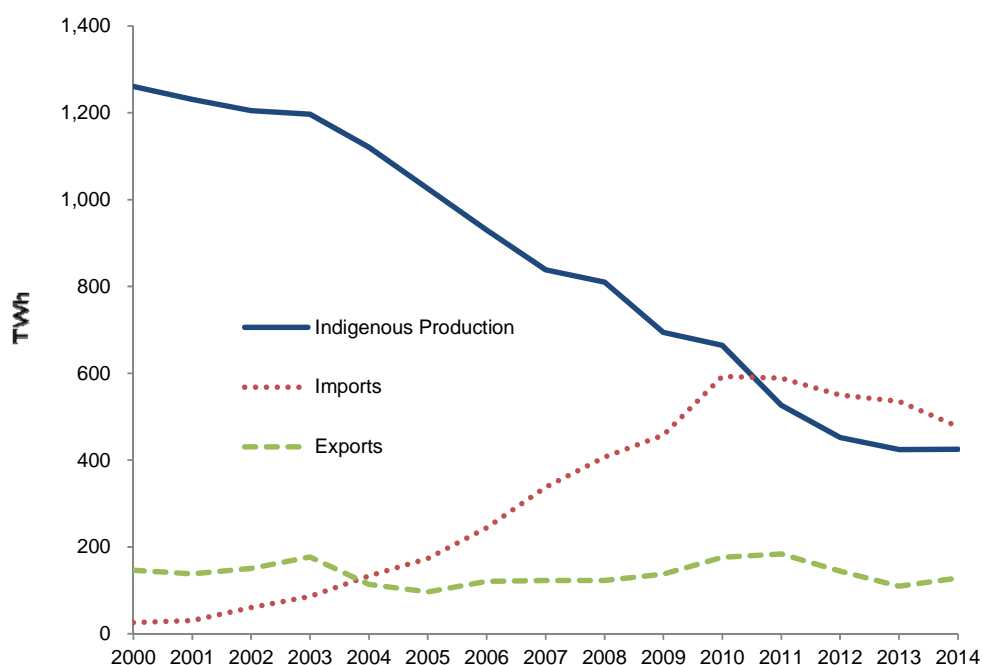
- Indigenous production of primary oils (crude, NGL's & feedstocks) decreased by 2.3 per cent (3.9 million tonnes) compared with 2013; this follows the general long term decline with production decreasing by around 8 per cent on average per annum since 2000. However, the fall in 2014 is the smallest rate of decrease since 2007.
- Overall demand for primary oils in 2014 was 8.9 per cent lower than last year, reflecting lower refinery demand. Indigenous production of petroleum products was 8.8 per cent lower in 2014 compared with 2013. The closure of the Milford Haven refinery in the summer of 2014 is a contributory factor. There was also rationalisation at some other refineries.
- As a result of reduced refinery production, net imports of petroleum products were 7.9 million tonnes in 2014, the highest annual figure since 1984 when industrial action in the coal sector led to greater demand for oil products.

Oil quarterly tables ET 3.1 – 3.7 are available on the DECC section of the GOV.UK website at: www.gov.uk/government/publications/oil-and-oil-products-section-3-energy-trends



GAS: 2014

Production and trade of natural gas



	2014 TWh	Percentage change on a year earlier
Gas production	425.4	+0.3
Gas imports	477.2	-10.8
Gas exports	128.1	+16.8
Gas demand	775.3	-9.2
- Electricity generation	212.2	+1.5
- Domestic	287.0	-16.7

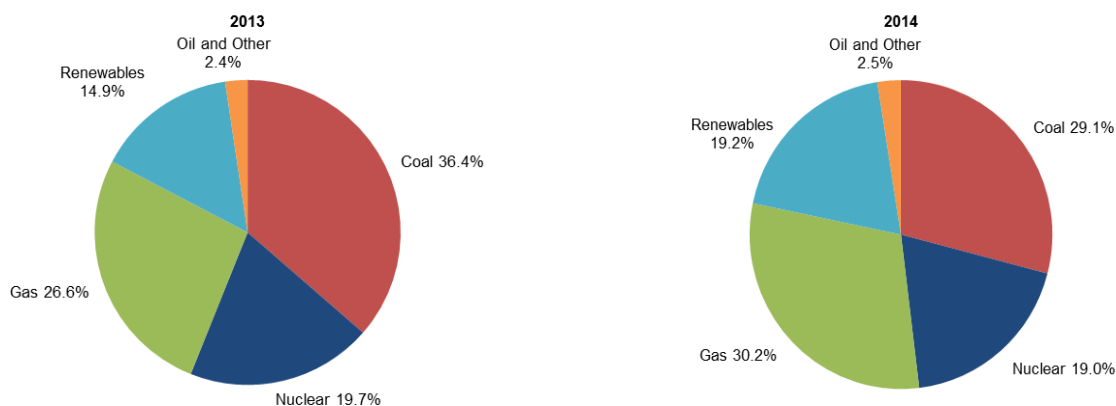
- In 2014 gross production of natural gas was 0.3 per cent higher than in 2013 and, at around 425 TWh, was the first year-on-year increase in production since 2000.
- Gas exports and imports were, respectively, 17 per cent higher and 11 per cent lower than in 2013. LNG imports were 21 per cent higher, whereas pipeline imports were 19 per cent lower in 2014 versus 2013. The trade position for 2014 showed net imports to be 18 per cent lower in 2014 versus 2013.
- Gas demand fell by 9.2 per cent versus 2013. Gas used for electricity generation increased 1.5 per cent reflecting a large decrease in coal generation and lower wholesale gas prices, particularly during the final six months of 2014. Domestic and other final users' gas consumption was lower in 2014, driven by a warmer first six months in 2014 versus 2013

Gas quarterly table ET 4.1 is available on the DECC section of the GOV.UK website at: www.gov.uk/government/publications/gas-section-4-energy-trends



ELECTRICITY: 2014

Electricity generated



	2014 <i>TWh</i>	Percentage change on a year earlier
Electricity Generated from		
Coal	97.4	-25.6
Nuclear	63.8	-9.7
Gas	101.1	+5.7
Renewables	64.4	+20.0
Total	335.0	-6.7
Supplied to		
Industry	91.9	-6.3
Domestic	107.2	-5.5
Other final consumers	104.8	-1.0
All	303.8	-4.3

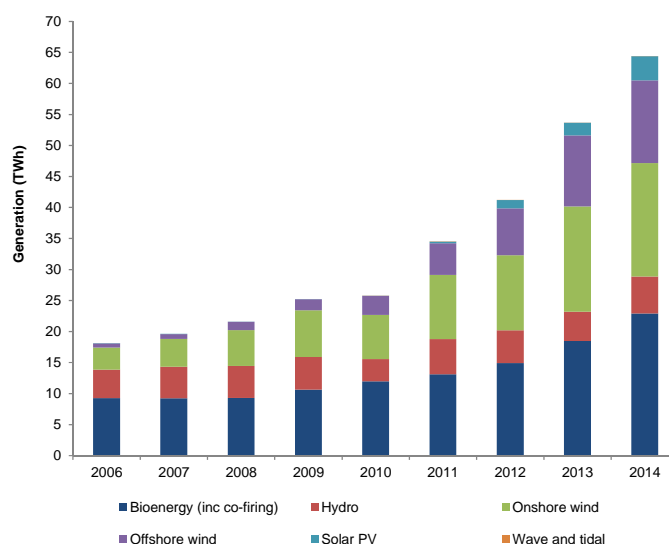
- Generation from coal in 2014 fell by 26 per cent, while gas rose by 5.7 per cent compared with a year earlier due to lower wholesale gas prices between June and August and to help meet the shortfall in nuclear generation. Generation from renewables was up 20 per cent, mainly due to increased wind and bioenergy capacity.
- In 2014, coal accounted for 29.1 per cent of generation. Gas's share rose to 30.2 per cent. Nuclear's share decreased to 19.0 per cent, with renewables accounting for 19.2 per cent of generation.
- Low carbon generation (including renewables) accounted for 38.3 per cent of generation in 2014, compared to 34.6 per cent in 2013.
- Total electricity generated in 2014 was 6.7 per cent lower than a year earlier due to falling demand, whilst imports made up 5.4 per cent of electricity supplied.
- Fuel used by generators in 2014 was 7.5 per cent lower than in 2013.
- Final consumption of electricity provisionally fell by 4.3 per cent in 2014. Domestic use decreased by 5.5 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/publications/electricity-section-5-energy-trends



RENEWABLES: 2014

Renewable electricity generation



	2014 TWh	Percentage change on a year earlier
Renewable electricity generation		
Onshore wind	18.3	+7.9
Offshore wind	13.3	+16.1
Hydro	5.9	+26.2
Solar PV	3.9	+93.1
Bioenergy (inc. co-firing)	22.9	+24.0
All renewables	64.4	+20.0

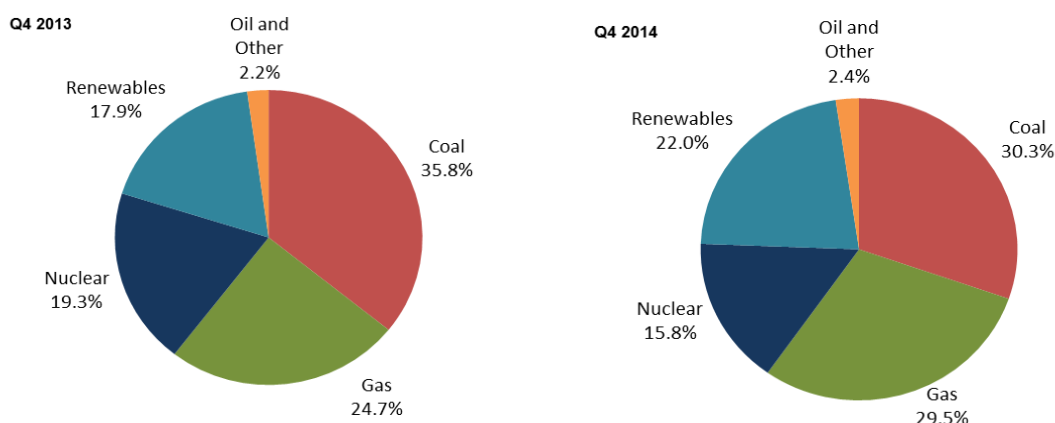
- Renewable electricity generation was 64.4 TWh in 2014, an increase of 20 per cent on the 53.7 TWh recorded in 2013. Offshore wind generation rose by 16.1 per cent and onshore wind by 7.9 per cent. Both increases were mainly due to increased capacity; average wind speeds were similar for both years. Generation from hydro rose by 26 per cent compared with a year earlier to a record 5.9 TWh, due to 2014 rainfall levels in the main hydro areas being 16 per cent higher than those of 2013, the highest for three years. Generation from bioenergy was up 24 per cent, largely due to a second conversion at Drax Power Station to biomass.
- Renewables' share of electricity generation increased from 14.9 per cent in 2013 to 19.2 per cent in 2014.
- Renewable electricity capacity was 24.2 GW at the end of 2014, a 23 per cent increase (4.5 GW) on a year earlier.
- Renewable transport: Liquid biofuels represented 3.9 per cent of petrol and diesel consumed in road transport in 2014, a 0.4 percentage point rise on the share in 2013.

Renewables quarterly tables ET 6.1 – 6.2 are available on the DECC section of the GOV.UK website at: www.gov.uk/government/publications/renewables-section-6-energy-trends



MAIN POINTS FOR THE FOURTH QUARTER OF 2014

Electricity generated



- Total energy production was 2.2 per cent lower than in the fourth quarter of 2013.
- Total primary energy consumption for energy uses fell by 3.3 per cent. However, when adjusted to take account of weather differences between the fourth quarter of 2013 and the fourth quarter of 2014, primary energy consumption fell by 2.2 per cent.
- Final energy consumption (excluding non-energy use) fell by 2.2 per cent compared to the fourth quarter of 2013, with the warmer weather a factor, on a temperature corrected basis it is estimated to have fallen by 1.5 per cent.
- Of electricity generated in the fourth quarter of 2014, coal accounted for 30.3 per cent, whilst gas accounted for 29.5 per cent. Nuclear generation accounted for 15.8 per cent of total electricity generated in the fourth quarter of 2014, down from the 19.3 per cent share in the fourth quarter of 2013, due to planned and unplanned outages at four EDF stations.
- Renewables' share of electricity generation increased to a new record of 22.0 per cent from the 17.9 per cent share in the fourth quarter of 2013. Generation from bioenergy increased by 51 per cent, with the impact of a second conversion at Drax to biomass increasing capacity. Due to increased capacity, offshore wind generation rose by 16 per cent, however onshore wind generation fell by 6.3 per cent. Hydro generation increased by 1.7 per cent on the fourth quarter of 2013. Renewable electricity generation was a record 19.6 TWh in the fourth quarter of 2014, an increase of 17 per cent on the 16.8 TWh in the fourth quarter of 2013.

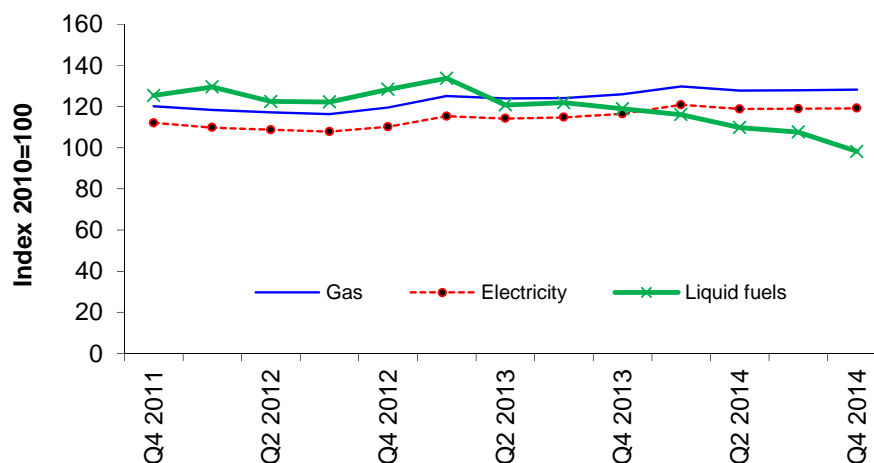
Quarterly tables are available on the DECC section of the GOV.UK website at:

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



DOMESTIC PRICES: QUARTER 4 2014

Fuel price indices in the domestic sector in real terms



Consumer price index fuel components in real terms ⁽¹⁾ 2010=100	2014 Q4	Percentage change on a year earlier
Solid fuels	106.7	+1.3
Gas	128.1	+1.7
Electricity	119.2	+2.3
Liquid fuels	98.2	-17.5
Total domestic fuel	122.8	+1.2

(1) Deflated using the GDP implied deflator. The original source of the indices is ONS.

- Q4 2013 data shows that the price paid for all domestic fuel by household consumers has risen by 1.2 per cent in real terms between Q4 2013 and Q4 2014, but has fallen by 0.1 per cent between Q3 and Q4 2014.
- Domestic electricity prices, including VAT, in Q4 2014 were 2.3 per cent higher in real terms than in Q4 2013, and 0.2 per cent higher than in Q3 2014.
- The price of domestic gas, including VAT, rose by 1.7 per cent in real terms between Q4 2013 and Q4 2014 and by 0.1 per cent between Q3 and Q4 2014.
- All six of the major domestic energy suppliers increased prices at the end of 2013 or start of 2014. Four of the six subsequently decreased prices in the first quarter of 2014 in response to Government changes to the costs of some energy policies. Overall, the changes reflect an average increase in gas and electricity prices of around 5 per cent.

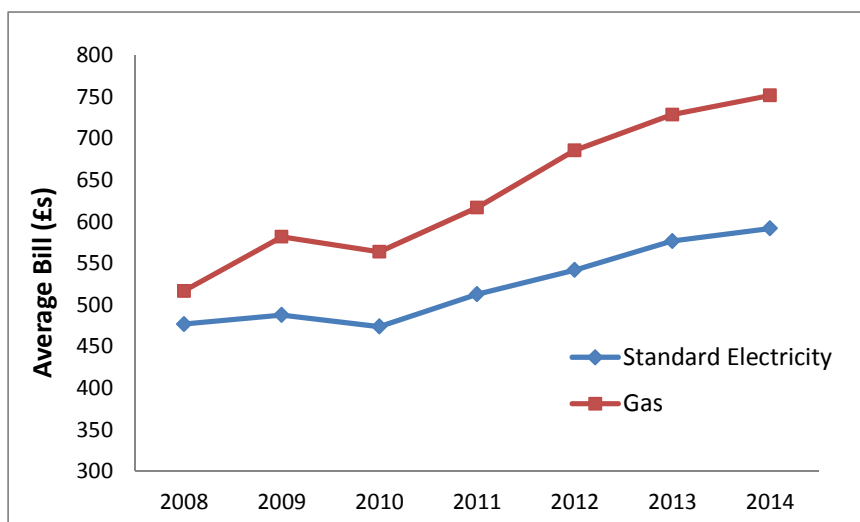
Domestic prices tables are available on the DECC section of the GOV.UK website at:

www.gov.uk/government/collections/domestic-energy-prices



DOMESTIC ENERGY BILLS: 2014

Average domestic gas and electricity bills (cash terms), 2008 to 2014



Average annual domestic fuel bills ⁽¹⁾

	2013	2014	Percentage change, cash terms	Percentage change, real terms ⁽²⁾
Gas ⁽³⁾	£729	£752	+3.2	+1.5
Electricity ⁽⁴⁾	£577	£592	+2.6	+0.7
Total ⁽⁵⁾	£1,306	£1,344	+2.9	+1.1

(1) Average annual bills for domestic customers weighted by the proportion of customers on the different payment methods, which include standard credit, direct debit and pre-payment meter. Bills relate to the total bill received in the calendar year and are in cash terms.

(2) To estimate the percentage change in real terms bills were deflated using the GDP (implied) deflator.

(3) Gas bills are based on an annual consumption of 15,000 kWh.

(4) Electricity bills are based on an annual consumption of 3,800 kWh.

(5) The average total gas and electricity bill presented should be taken as broadly indicative only. It is not based on individual customers, but is simply the sum of the averages for electricity and gas.

(6) In Q4 2014 a £12 Government rebate was applied to electricity bills for all customers in Great Britain. This is included in the figures above.

- The average domestic electricity bill in 2014, based on a fixed consumption level of 3,800 kWh/year, increased by £15 to £592. Bills for customers paying by standard credit averaged £619. For those paying by direct debit, it was £570, and on pre-payment, £623.
- For domestic gas, the average 2014 annual bill, based on a fixed consumption level of 15,000 kWh/year, rose by £23 to £752. For customers paying by standard credit the average bill was £796. For those paying by direct debit, it was £721, and for those on pre-payment, £793.
- For the period July to December 2014, prices for medium domestic gas and electricity consumers, including tax, were the second and the eighth lowest in the EU15 respectively.

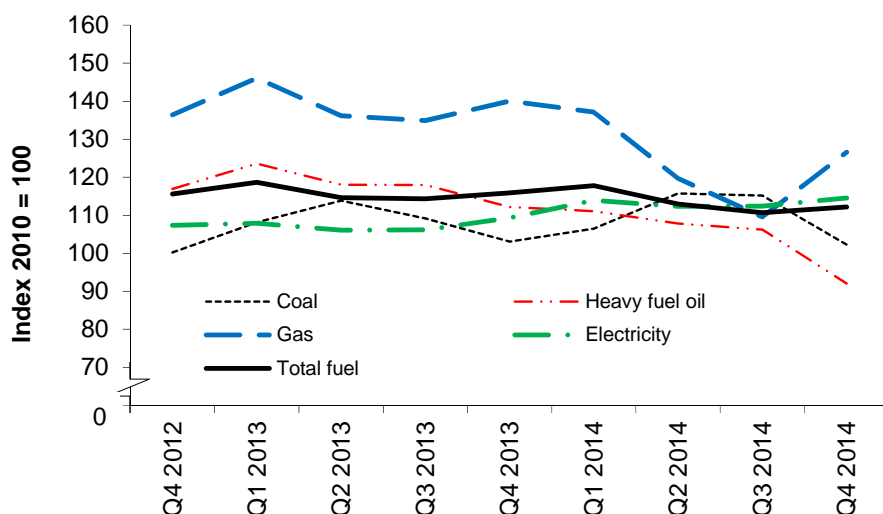
Domestic prices tables are available on the DECC section of the GOV.UK website at:

www.gov.uk/government/collections/domestic-energy-prices



INDUSTRIAL PRICES: QUARTER 4 2014

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



Fuel prices index in real terms ⁽¹⁾ 2010=100	2014 Q4	Percentage change on a year earlier
Coal	102.3	-0.7
Heavy fuel oil	92.1	-17.9
Gas	126.6	-9.6
Electricity	114.5	+4.7
Total fuel	112.1	-3.2

(1) Deflated using the GDP implied deflator. Includes estimates of the average Climate Change Levy (CCL) paid.

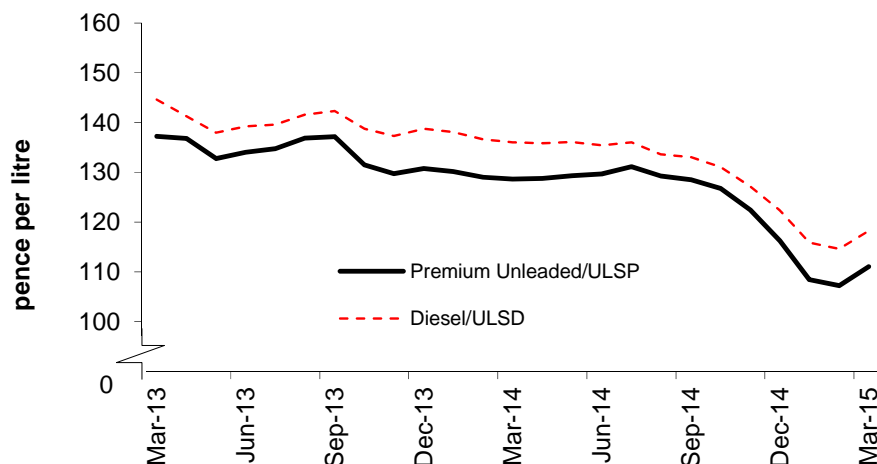
- Average industrial gas prices, including CCL, were 9.6 per cent lower in real terms in Q4 2014 compared to Q4 2013, whilst prices excluding CCL were 9.8 per cent lower.
- Average industrial electricity prices were 4.7 per cent higher including CCL and 4.5 per cent higher excluding CCL, in real terms, in Q4 2014 compared to Q4 2013.
- Average coal prices were 0.7 per cent lower in real terms including and excluding CCL in Q4 2014 compared to Q4 2013. Heavy fuel oil prices were 17.9 per cent lower in real terms than a year ago.
- For the period July to December 2014, prices for industrial electricity consumers including taxes were above the EU15 median for all consumers. UK industrial gas prices were amongst the lowest in the EU15 for all sizebands of consumer including tax.

Industrial prices tables are available on the DECC section of the GOV.UK website at: www.gov.uk/government/collections/industrial-energy-prices



ROAD TRANSPORT FUEL PRICES: QUARTER 4 2014

Typical retail prices of road transport fuels



Retail prices of petroleum products	Mid-March 2015 ⁽¹⁾ Pence per litre	Percentage change on a year earlier
Unleaded petrol ⁽²⁾	111.0	-13.7
Diesel ⁽²⁾	118.3	-13.1

(1) Prices are for ultra low sulphur versions of these fuels.

(2) Prices are provisional estimates.

- In mid-March 2015, a litre of unleaded petrol was on average 111.0 pence per litre, 14 per cent lower than a year earlier and 22 per cent lower than the high of April 2012.
- In mid-March 2015, diesel was on average 118.3 pence per litre, 13 per cent lower than a year earlier and 20 per cent lower than the high of April 2012.
- In February 2015, the UK retail price for petrol was fourth highest in the EU. UK diesel prices were the highest in the EU.
- The price difference between diesel and petrol in March 2015 is 7.2 pence per litre, slightly lower than the previous month.

Road transport fuel prices tables are available on the DECC section of the GOV.UK website at: www.gov.uk/government/collections/road-fuel-and-other-petroleum-product-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 fourth quarter of 2014 and 2014 as a whole are given in the March 2015 editions of ENERGY TRENDS and ENERGY PRICES respectively, the Department's statistical bulletins on energy, published on 26 March 2015.

2. Energy Trends and the Energy Prices bulletins, published quarterly, are available in hard copy from DECC (see below) 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: www.gov.uk/government/collections/energy-trends-articles.

4. To receive a complimentary copy of either publication, contact [Kevin Harris](#) or call 0300 068 5041.

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

Phone: 0845 504 9188

E-mail: deccteam@decc.ecgroup.net

6. More detailed annual data on energy production and consumption for the years 2009 to 2013 are available in the DIGEST OF UNITED KINGDOM ENERGY STATISTICS 2014, published by the Stationery Office on 31 July 2014, priced £68. The 2015 edition of the Digest will be published on 30 July 2015.

All information contained in the Digest is available on the DECC section of the GOV.UK website at: www.gov.uk/government/collections/digest-of-uk-energy-statistics-dukes

