

Press release

Eurogas: Gas demand in the first half-year of 2011 and forecast

According to Eurogas estimates, gas demand in the EU decreased by 9% (around 25 bcm¹) in the first six months of 2011 compared with the same period in 2010. The main driver for the decline in natural gas consumption was the mild temperature in the first half of the year, compared with the very cold weather in early 2010.

In particular in the residential and commercial sector, gas consumption in the first quarter of 2011 was significantly below the 2010 level, as the beginning of 2011 was not characterised by extraordinarily cold days. The decline in gas demand this year so far has been sharper in countries where premises heating makes up a large share of gas demand (especially in some Nordic countries).

In addition, in the power sector, the market conditions have favoured coal consumption so far through 2011, more than in 2010.

In the industrial sector, the gas consumption has been flat compared with 2010. Indeed, although the EU-27's industrial production index showed signs of recovery at the beginning of 2011², the mild temperature of the first half of 2011 counterbalanced this effect.

Taking 2011 as a whole, the consumption of gas should be lower compared with 2010. Given the exceptionally cold weather conditions throughout 2010, the coldest year in western and northern Europe since 1996³, preliminary estimates indicate an overall reduction of 5-7% compared with last year, which would correspond to an annual consumption in 2011 of 495-485 bcm.

Over time, Eurogas expects that natural gas demand will resume its growth. Based on the highly efficient, proven technologies and environmental friendliness of natural gas, Eurogas anticipates that gas will continue playing a key role in a realistic EU climate policy.

EUROGAS is a Brussels based non-profit making organisation and has the following members:

AFG - Association Française du Gaz (FR), BDEW - Bundesverband der Energie - und Wasserwirtschaft e.V. (DE), Bord Gáis Éireann (IE), BOTAS* (TR), BP (UK), Bulgargaz *(BG), Centrica (UK), CPU - Czech Gas Union (CZ), DEPA (GR), Distrigas (BE), DONG Energy (DK), EDF - Electricité de France (FR), Edison (IT), EGL AG (CH), ENA - Energy Networks Association (UK), Energie-Nederland (NL), Energigas Sverige (SE), ENI (IT), ENOVOS Luxembourg S.A. (LU), E.ON Ruhrgas AG (DE), Febeg (BE), FGW - Fachverband der Gas- und Wärmeversorgungsunternehmen (AT), Galp Gás Natural s.a. (PT), Gas Natural Fenosa (ES), GasTerra (NL), Gasum (FI), GAZBIR* Natural Gas Distribution Companies Association of Turkey (TR), GDF SUEZ (FR), Geoplin (SI), GERG - European Gas Research Group (EU), HMN Naturgas (DK), Latvijas Gaze* (LV), Lietuvos Dujos* (LT), Marcogaz (EU), MGE - Hungarian Gas Association (HU), Naftogaz of Ukraine* (UA), OMV Gas and Power GmbH (AT), PGNIG - Polish Oil and Gas Company (PL), Romgaz*(RO), Russian Gas Society*(RU), RWE Supply & Trading GmbH (DE), SEDIGAS - Asociación Española del Gas (ES), SHELL Energy Europe Ltd. (UK), South Hook Gas Ltd (UK), Slovenský plynárenský priemysel, a.s. (SPP) (SK), Swiss Association of Gas Industry (CH), Swissgas (CH), Synergrid *(BE), Total S.A. (FR), VNG AG - Verbundnetz Gas AG (DE)

* Associate Members

For more information, please contact Emilie Marinova, Senior Economic Manager at:
Avenue de Cortenbergh, 172, B-1000 Brussels, Tel: +32 (0)2 894 48 05, E-mail: em@eurogas.org, Website: www.eurogas.org

¹ Based on terawatt hours, the applied calorific values (10.83 kWh/cubic metre GCV; 11.63 TWh/MTOE NCV; NCV = 0.9 GCV) are representing a European average.

² Eurostat, Industrial output in the EU and Euro area - Issue number 36/2011

³ World Meteorological Organization