
national
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forum

Welcome

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Jake Tudge

Corporate Affairs Director
National Gas

Agenda

Part I – Industry Leader Updates *10:00*
Heather Bell, US Embassy in London
Jorge Pikunic, VPI
Break *(10:45 – 11:10)*

Part II – National Gas and Guest *11:10*
Tom Marzec-Manser, Wood Mackenzie
Michaela Bowers, DESNZ
Max Chapman, National Gas
Q&A and Close
Lunch (12:15 – 13:00)

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Part I

Industry Leader Updates

Part I Speakers

Heather Bell
Director and Energy Attaché

U.S. Embassy London

U.S. DEPARTMENT of ENERGY

Jorge Pikunic
Chief Executive Officer

VPI

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Heather Bell

Director and Energy Attaché
US Embassy in London

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Jorge Pikunic

Chief Executive Officer
VPI

VPI

Powering the Transition:
A new era for gas fired generation

Jorge Pikunic, Chief Executive, VPI

VPI tackles system challenges that emerge in the energy transition

Need for more reliable power

Greater supply intermittency

Removing carbon from energy sources

Enabling uptake of renewables

Today, there is divergence of approach on decarbonisation…

…but convergence on the need to address affordability

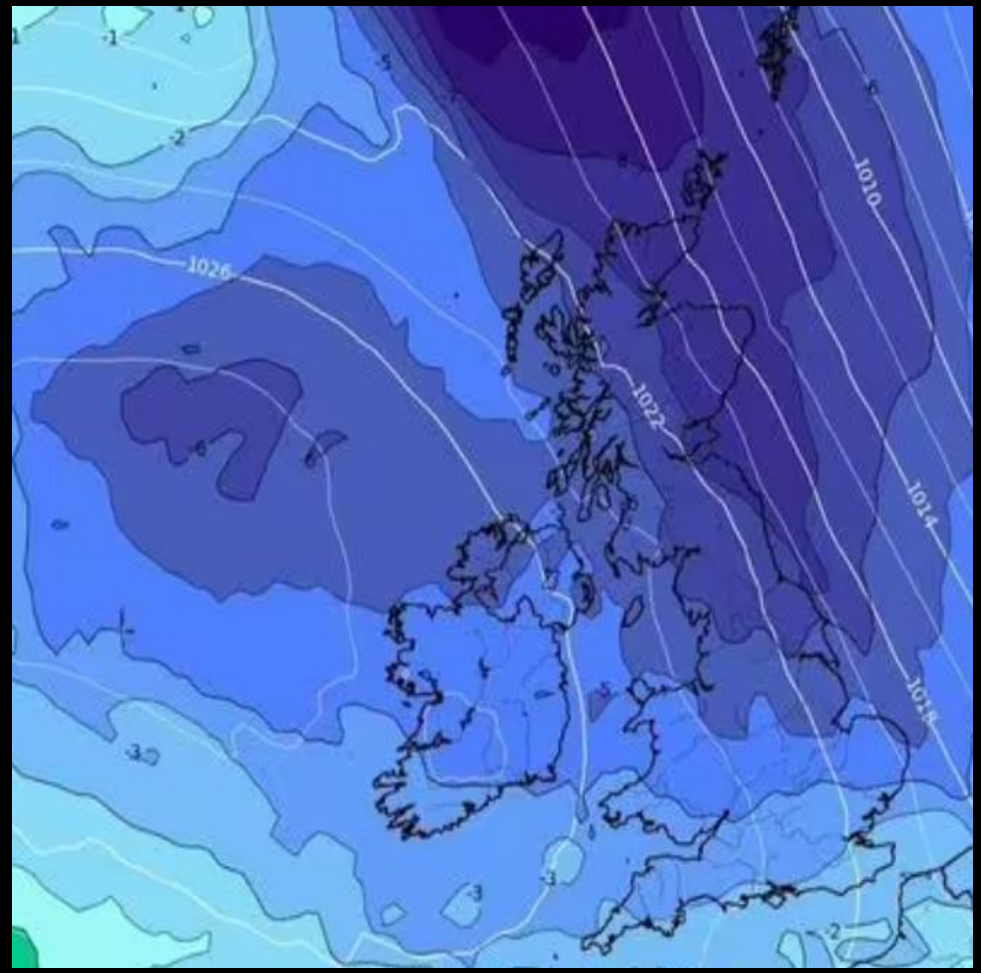
Renewable deployment already underway

	UK	GER	IRL
Today	44%	58%	41%
2030	Clean power	80% renewables	80% renewables

One of the biggest challenges for power in the energy transition is delivering flexibility

Short duration

Long duration



VPI's growing portfolio

Blackburn
60MW CCGT

Humber Zero
Carbon Capture

VPI Energy Park A
49MW Gas Recip

VPI B
299MW OCGT

Castlelost *1*
Synchronous Condenser

Castlelost *1*
275MW OCGT

Immingham
1320MW CHP

Rye House
715MW CCGT

Onshore Wind
16MW
Firming Services

Derrycarney Solar *3*
100MW Solar

Damhead Creek
815MW CCGT

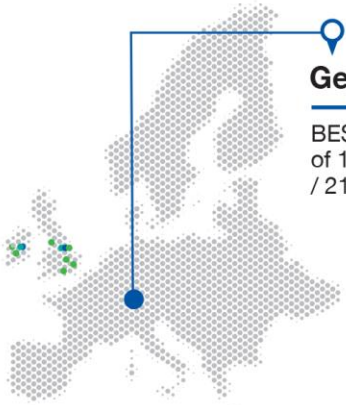
Damhead Creek II
up to
1.8GW CCGT,
OCGT, BESS

Lumcloon *2*
100MW / 60MWh
Battery

Shannonbridge *2*
100MW / 60MWh
Battery

Onshore Wind
10MW
Firming Services

Shoreham
460MW CCGT



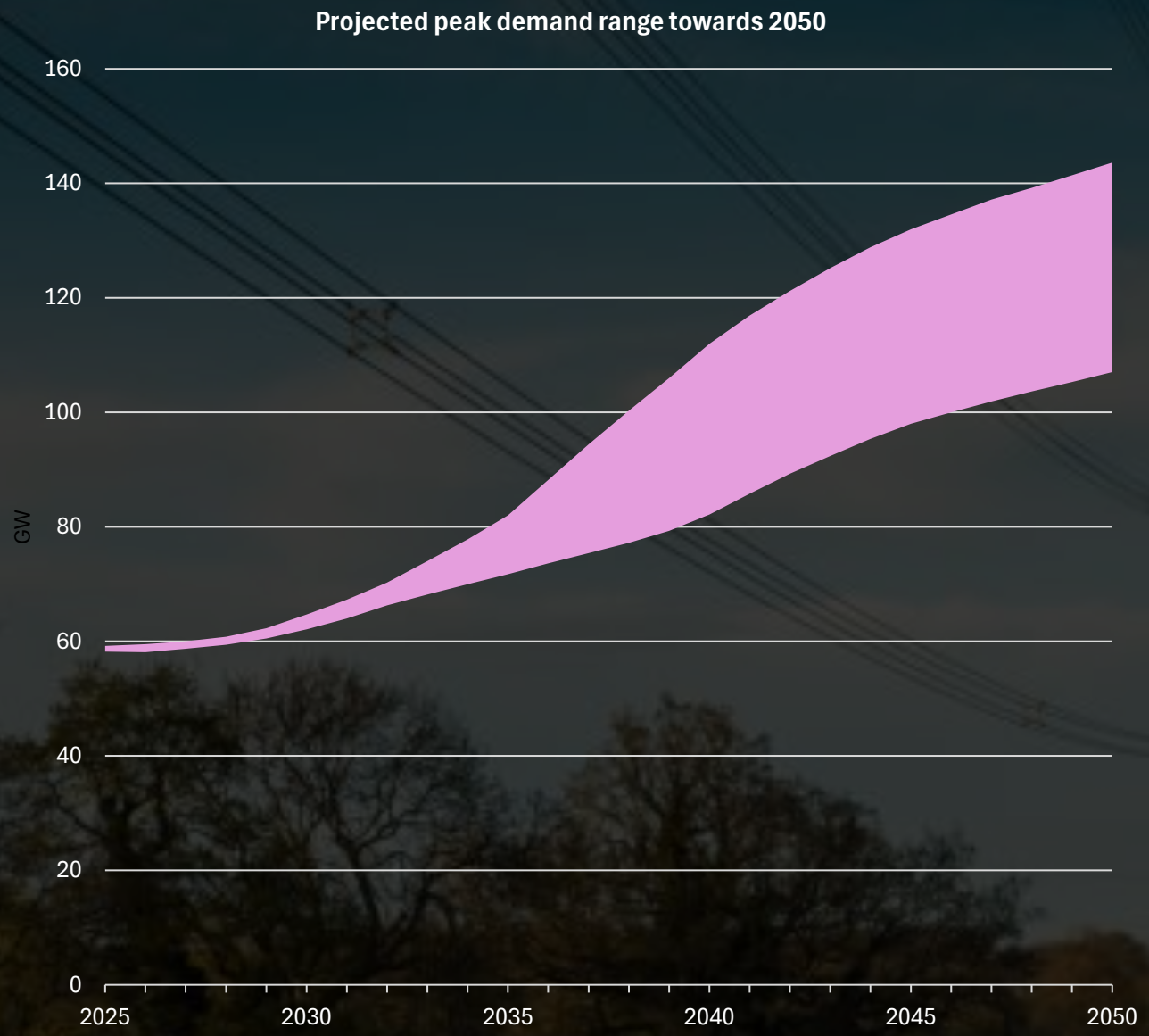
Germany
BESS Pipeline
of 1050MW
/ 2100MWh

Siedenbrunzow
Brieselang
Pasewalk
Angermunde
Snow Buck
Phase 1 & 2
Bad Arolsen
Bad Wildungen
Obstwiese
Phase 1 & 2
Sterntaler

● Operational Assets ● Projects Under Construction ● Development Opportunity ● Partnership

1 51% ownership / 2 80% ownership / 3 75% ownership

Power demand expected to rise – but by how much?



Increase in demand due to:

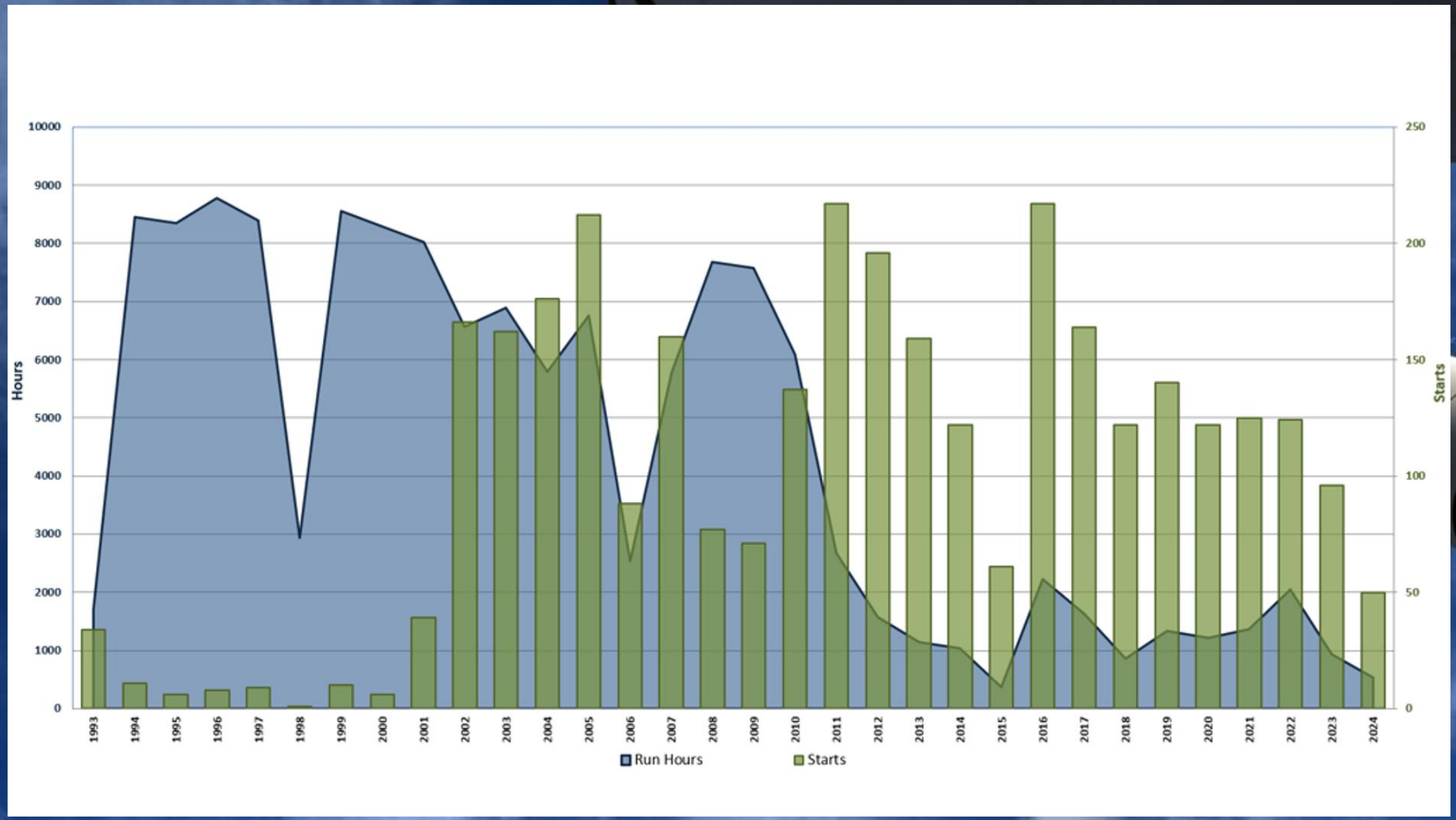
- Electrification of heating and transport
- Industry
- New sectors e.g. AI / data centres / advanced robotics
- Deeper digitisation in the economy

Energy efficiency will help mitigate some but not all of this increase

The challenge to navigate

- Renewables changing energy system
- Volatile pace of transition
- Uncertain power demand

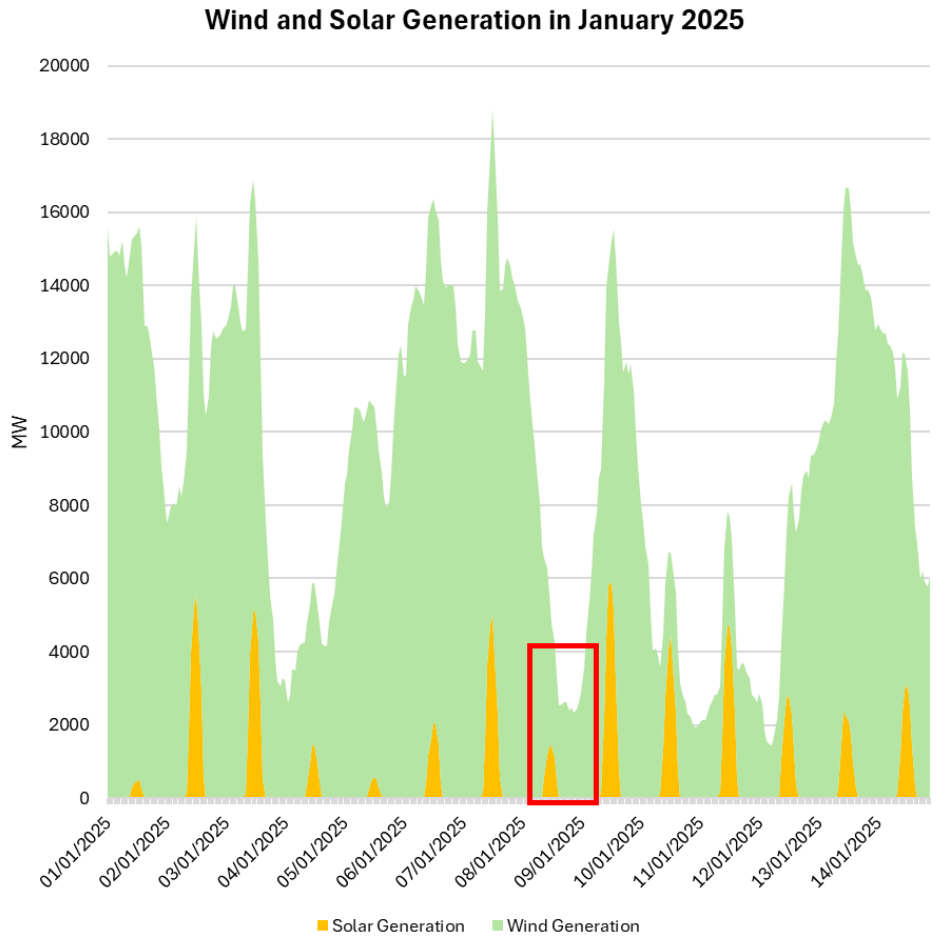
Gas fired generators need to adapt to a new way of operating



What does this mean for day-to-day operations?

- Reliability of plants is critical
- Increasing use of technology
- Agile team ready to respond

Example

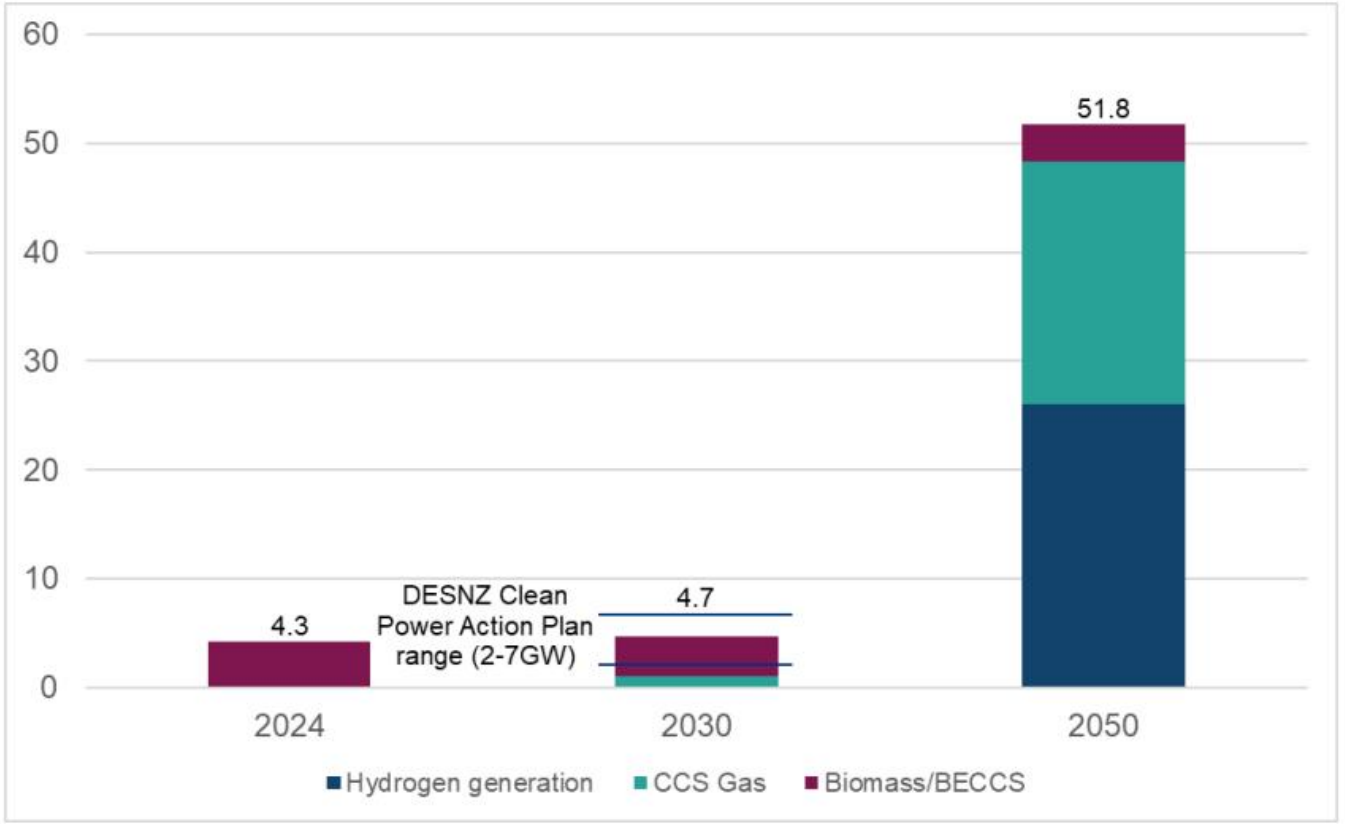

Wind and Solar Generation in January 2025
MW
20000
18000
16000
14000
12000
10000
8000
6000
4000
2000
0
01/01/2025
02/01/2025
03/01/2025
04/01/2025
05/01/2025
06/01/2025
07/01/2025
08/01/2025
09/01/2025
10/01/2025
11/01/2025
12/01/2025
13/01/2025
14/01/2025
Solar Generation
Wind Generation

What does this mean for investment?

- Ongoing investment to maintain reliability
- Refurbishments and life extensions
- Adaptation for low carbon future

Adapting for clean power by 2050

Indicative low carbon dispatchable power capacity scenario (GW)
2024 -2050



Source: DESNZ Clean Power 2030 Action Plan range (horizontal lines), NESO FES 2025 holistic transition 2024-2050 (bars – FES is an independent modelling exercise. Its scenarios are not conditioned on government's CP2030 or wider interim climate targets)

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ofgem

NESO National Energy System Operator

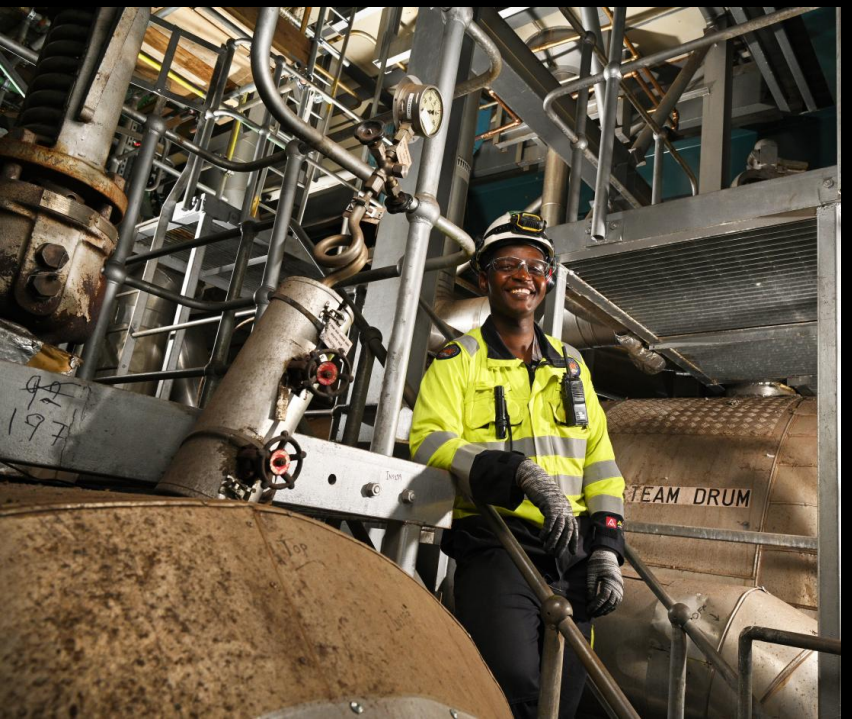
The challenge to navigate

- Renewables changing energy system
- Volatile pace of transition
- Uncertain demand

- Transforming the way gas fired generation operates
- Being ready to act and invest when market signals are there


VPI


VPI


TEAM DRUM


VPI
VPI


VPI

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Up Next: Part II – 11:10

National Gas updates

Welcome Back

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Jenny Philips

Director of Energy Delivery
National Gas

Part II Speakers

Tom Marzec-Manser
Director

Wood Mackenzie

Michaela Bowers
Head of Gas Supply Policy

Department for Energy Security & Net Zero

Max Chapman
Business Delivery & Operational Liaison Manager

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Tom Marzec-Manser

Director
Wood Mackenzie

European gas in 2026

The transition year from global tightness to increased LNG supply

Tom Marzec-Manser | Director – Europe Gas & LNG

National Gas Energy Forum | London

22 January 2026

Agenda

01 European supply and demand 2025 vs 2024

02 Our European view for 2026

03 The changing global LNG landscape: 2024-2027

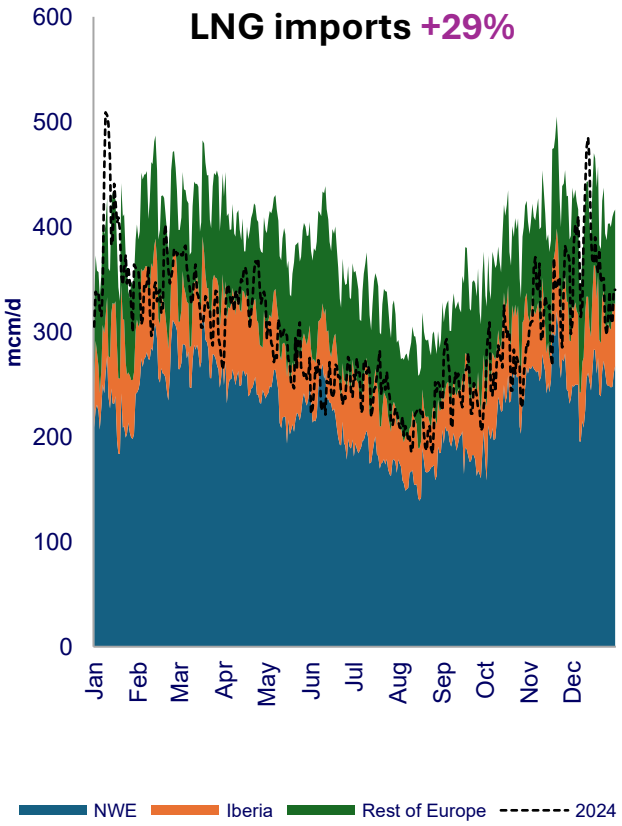
04 Russian gas and LNG phase-out update

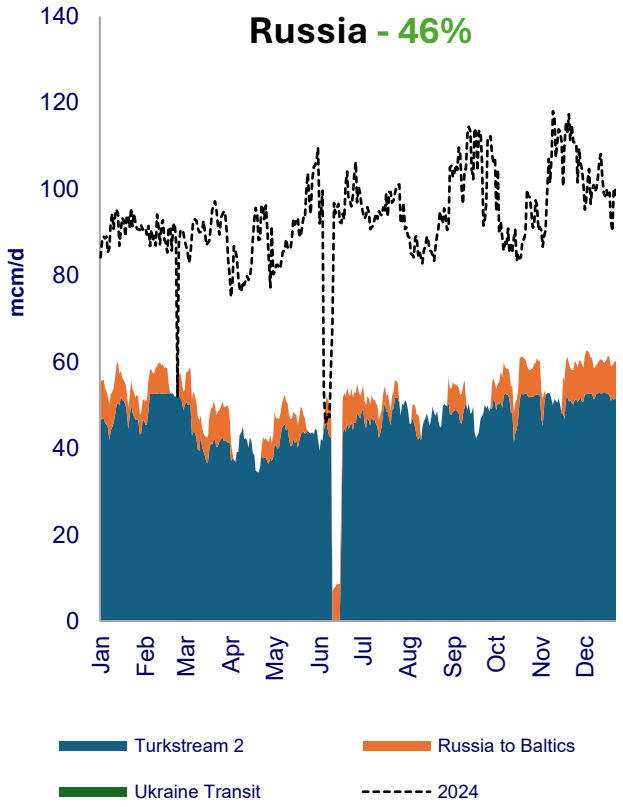
05 The relevance of Iran and Venezuela for global gas

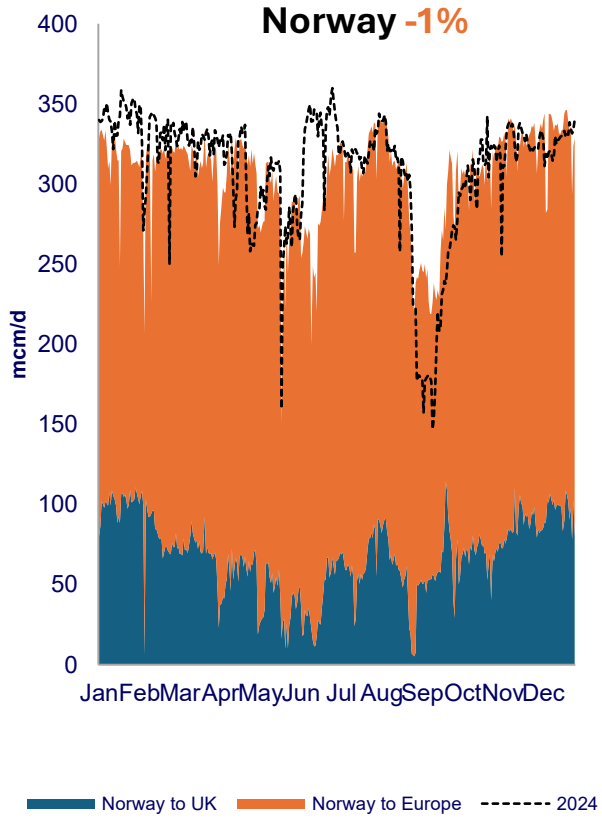
06 Key takeaways

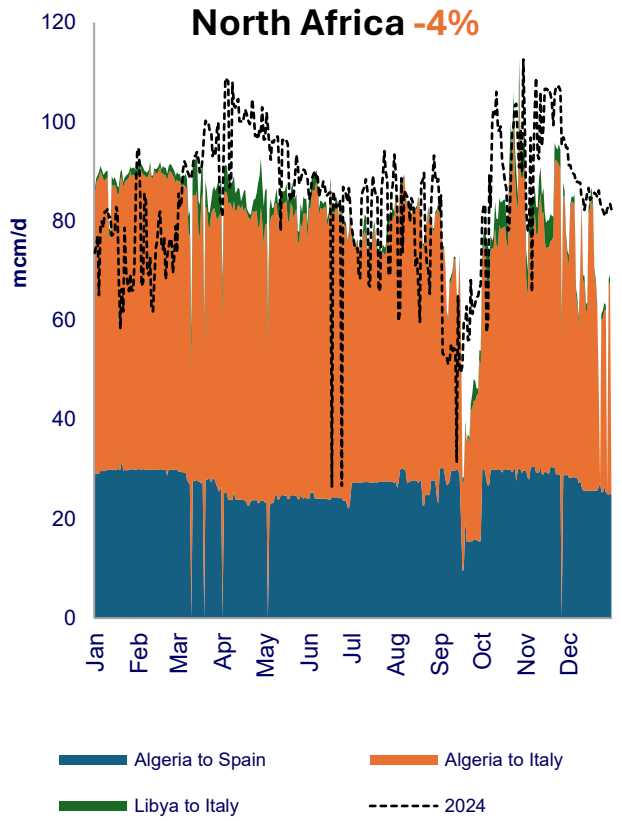
LNG imports continue rising, as Russian pipe halves

Record LNG arrivals mainly sourced from US projects



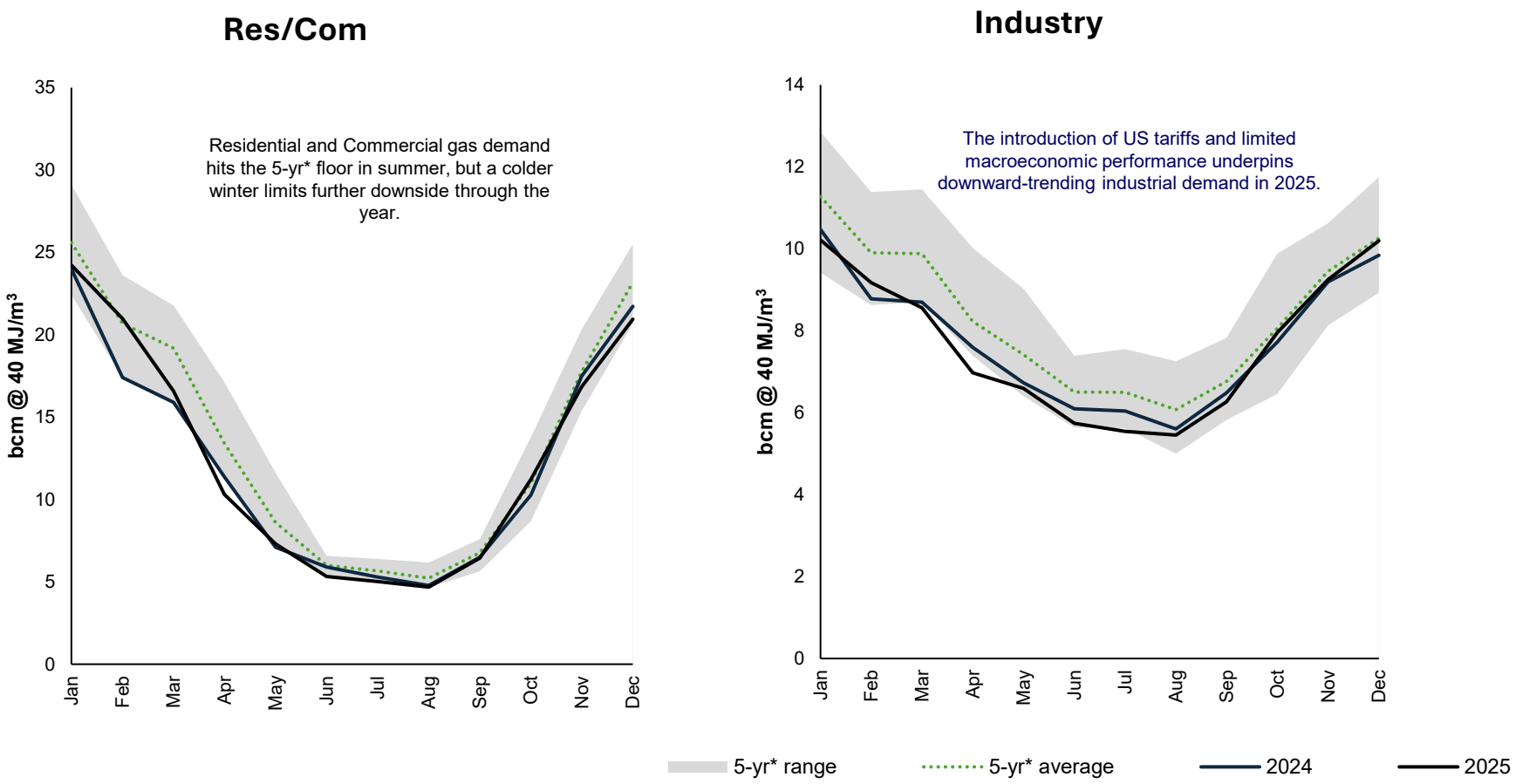


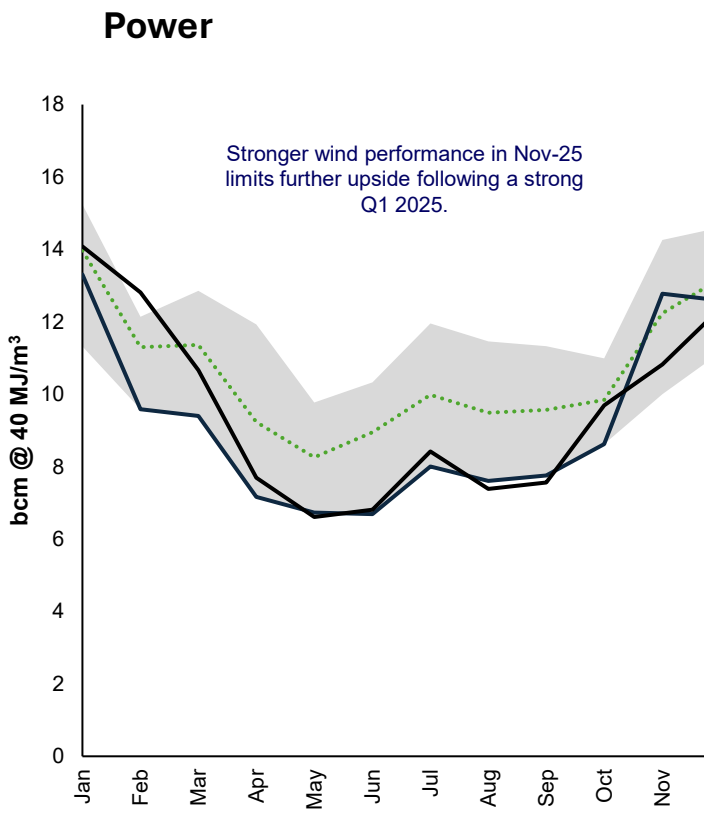




Q1 growth unable to lift 2025 more than 1.6% above 2024

Gas-to-power and Res/Com both rise at start of year, while Industry hit by wider macroeconomic headwinds





LNG imports to rise further to refill depleting storage

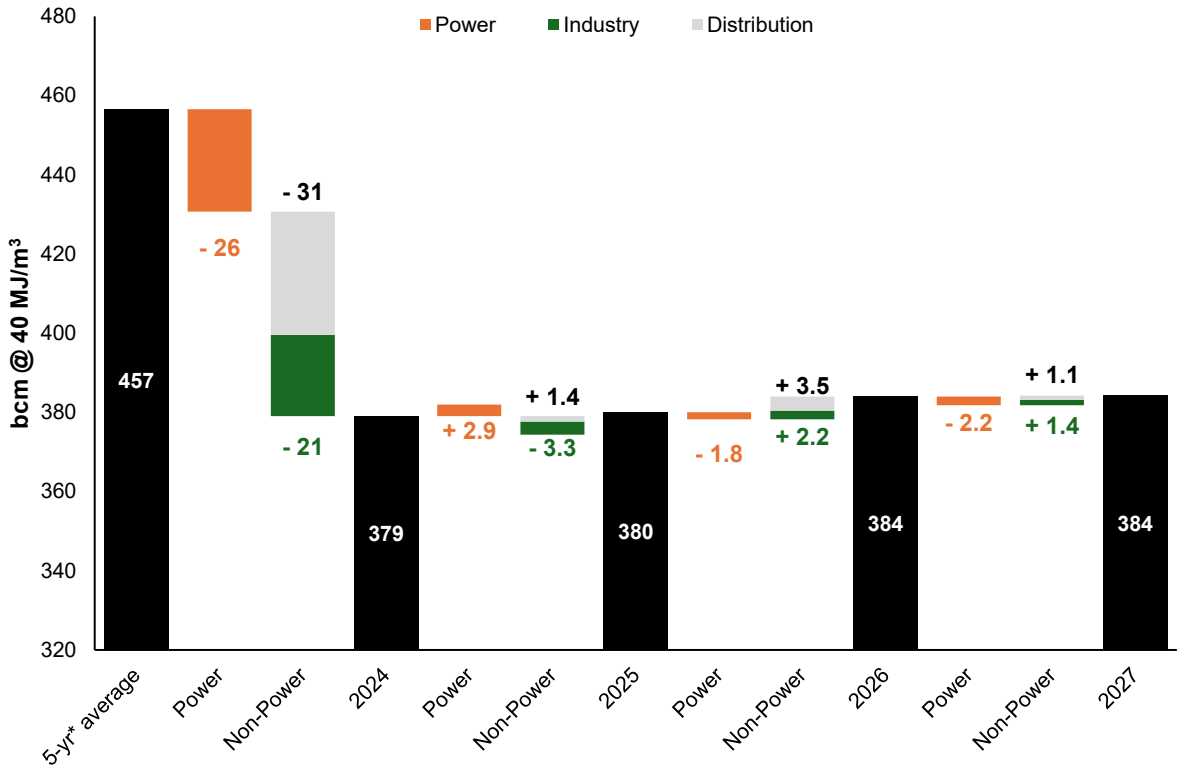
LNG to remain balancing item – hence recent TTF price surge

Demand in 2026 to grow 1%, as alternative sources of supply little changed in 2026

	2024	2025	2026*
Indigenous production	65.1	+3.1	+0.3
Norwegian piped export	116.6	-2.2	-2.0
North Africa	31.0	-0.8	-0.2
Southern Corridor	13.2	-0.1	+0.6
LNG import	121.8	+35.2	+8.9*
Russia	30.3	-14.7	-1.7
Demand	377.8	1.1	4.0

*2026 forecast from Q4 ST Outlook

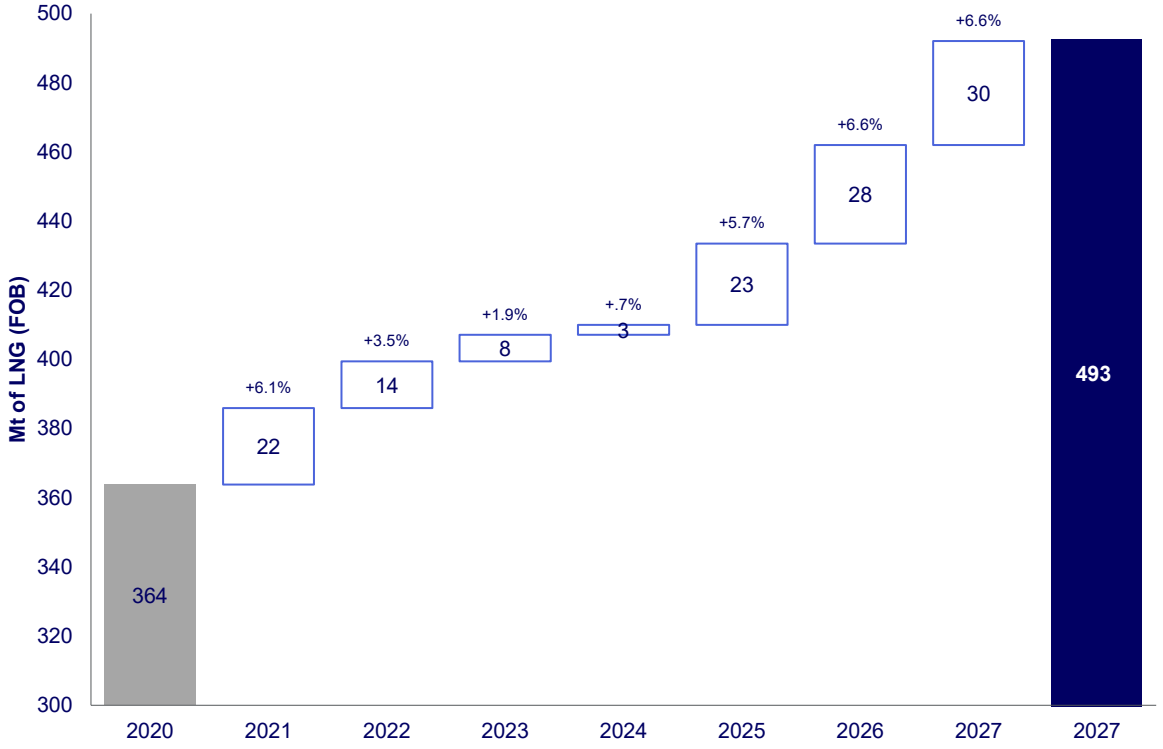
LNG demand view for 2026 will be higher given Q1 2026 drawdown



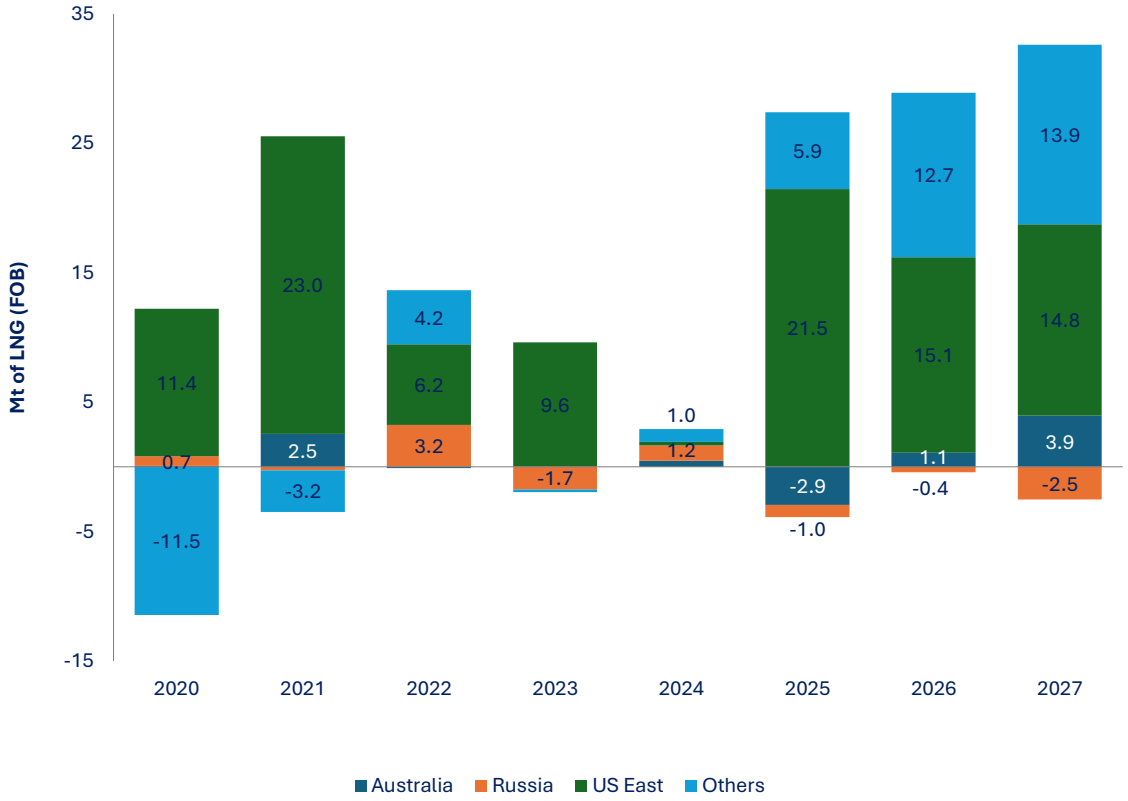
US to supply yet more LNG, as Qatar to start NFE

Global supply to rise 6.6% in both 2026 and 2027

Global LNG supply growth



Year-on-year LNG supply growth by region



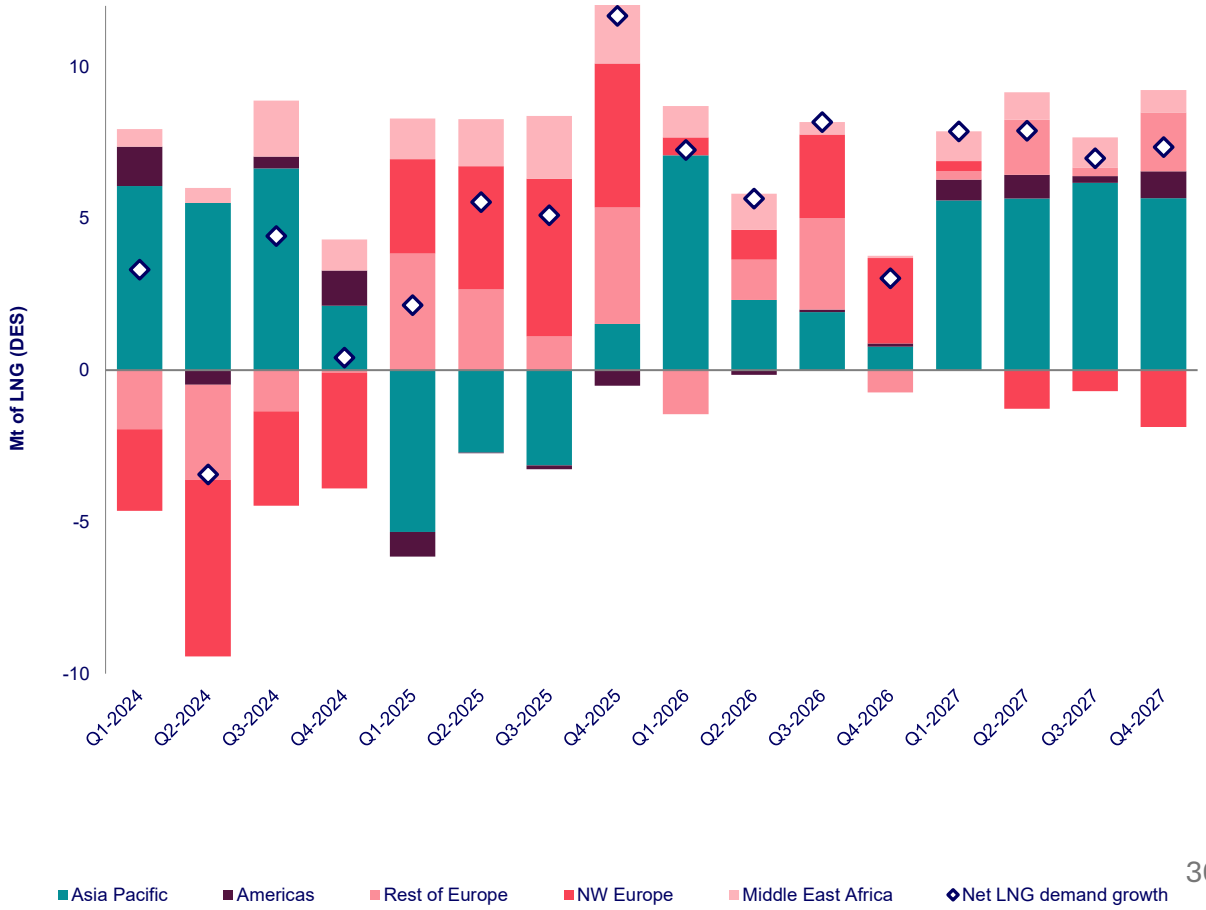
Asian LNG demand set for recovery

Beyond Europe, we expect Asian demand to absorb incremental LNG supply in 2026

Into 2027, softening prices should increase Asian imports further

- Firm growth in China domestic gas production
- China demand dampened by economic slowdown
  - Gas-to-Industry affected by housing situation
  - Russian pipe supply to continue to grow
- Nuclear restarts in Japan and Korea
- Nuclear phase-out in Taiwan
- Lower prices will lead to incremental demand growth in South and South-East Asia
- Egypt remains a key source of Mediterranean demand
  - Israeli production increase FID in Jan-26

Year on Year LNG demand growth



EU plans for full Russian phase-out, but risks remain

Real test of phase-out policy will not be until the end of 2027

- Sanctions agreed for all Russian LNG imports
- Trade restriction, via REPowerEU, used to ban Russian pipe gas
  - which also applies to LNG

- Slovakia and Hungary are likely to seek work-arounds
- Both have long-term contracts with Gazprom that run into the 2030s
- Non-EU Serbia will continue to receive Russian gas

- Wood Mackenzie assumes some Russian gas flows into Bulgaria via TurkStream in 2028 and beyond
- Concerns rise regarding Turkish Cocktail

Key phase-out dates

1 Jan 2026
Ban on new gas and LNG spot purchases

25 Apr 2026
Ban on short-term (≤1 year) LNG contracts

17 Jun 2026
Ban on short-term (≤1 year) gas contracts, except those to land-locked countries

1 Jan 2027
Ban on existing long-term LNG contracts

30 Sep 2027
Ban on existing long-term gas contracts, if storage targets met

1 Nov 2027
Ban on all existing long-term gas contracts

Distant geopolitical events can reverberate into TTF

Both real and perceived Iran supply shocks can boost TTF

Venezuela's impact is muted, but has capacity to add supply in a loose market

Iran

- June '25 Iran war lifted TTF
- Iran exports via pipeline to Türkiye and Iraq
- BOTAS must backfill any lost imports with LNG
- Dependency may wain as contract expiring
- Iraq's move to import LNG could mean similar backfilling needed at times of stress
- Any involvement with Isreal boosts LNG demand yet further
    - Isreal exports production to Egypt
- Straits of Hormuz concern always remains however low the risk

Venezuela

- No imports or exports of gas so no immediate impact on global balance
- Vast volumes lost to flaring
- Possibility to repair and restart pipe link to Colombia
    - Would reduce Colombian LNG demand, but questions remain as to viability/need
- Direct offshore supply to T&T more likely, for onward LNG export
- Market already seen as loose by this time

A transitionary year with increased supply and rising geopolitical influence

- In 2026, the global gas market will transition away from years of tightness to a period of increased LNG supply
- With the European market central to worldwide balancing, much of the change will play out in the EU and UK

- Recent price surge highlights how delicate the European balance/storage view remains despite the incoming wave
- We expect yet more LNG to Europe in 2026, after a record year in 2025
- European demand growth expected to remain minimal

- Global LNG to rise 6.6% year-on-year, in both 2026 and 2027
- China’s LNG demand will be pivotal to LNG imports in Europe

- Russia’s complete phase-out in the EU is not a foregone conclusion

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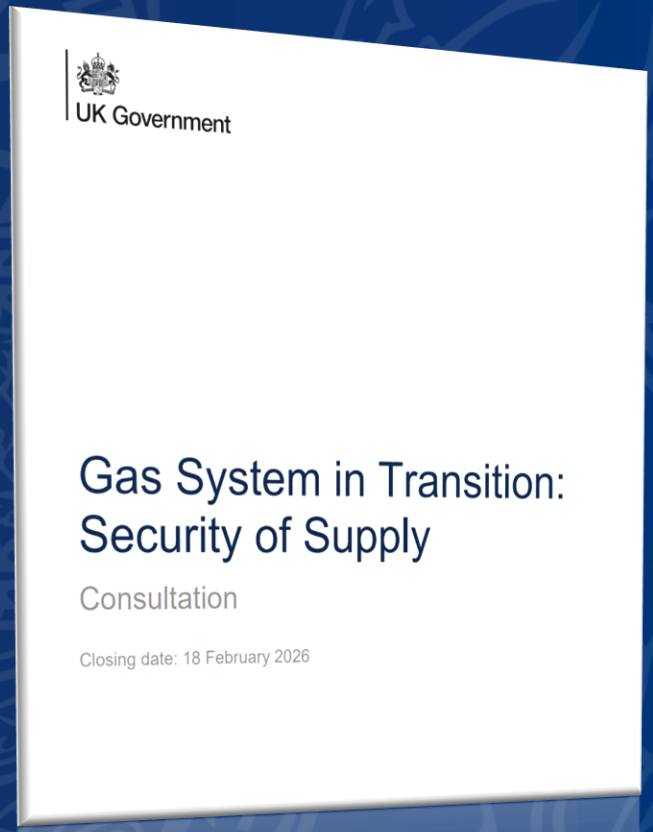
Michaela Bowers

Head of Gas Supply Policy
Department for Energy Security & Net Zero (DESNZ)

Department for Energy Security & Net Zero

Gas System in Transition: security of supply

Consultation Engagement



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Context: the maximum supply of gas that can enter the GB gas system is gradually reducing

- As the UK and Norwegian Continental Shelves decline (at different rates), the maximum volume of gas that we can physically pull-in to the country will reduce (see figure 1).

- This relates to our *infrastructure capacity* – our existing import and storage capacity is currently not expected to increase to fully offset the UKCS and NCS' decline.

- It is not a question of *global gas molecule availability* – we still expect the UK to benefit from a structurally oversupplied global gas market.

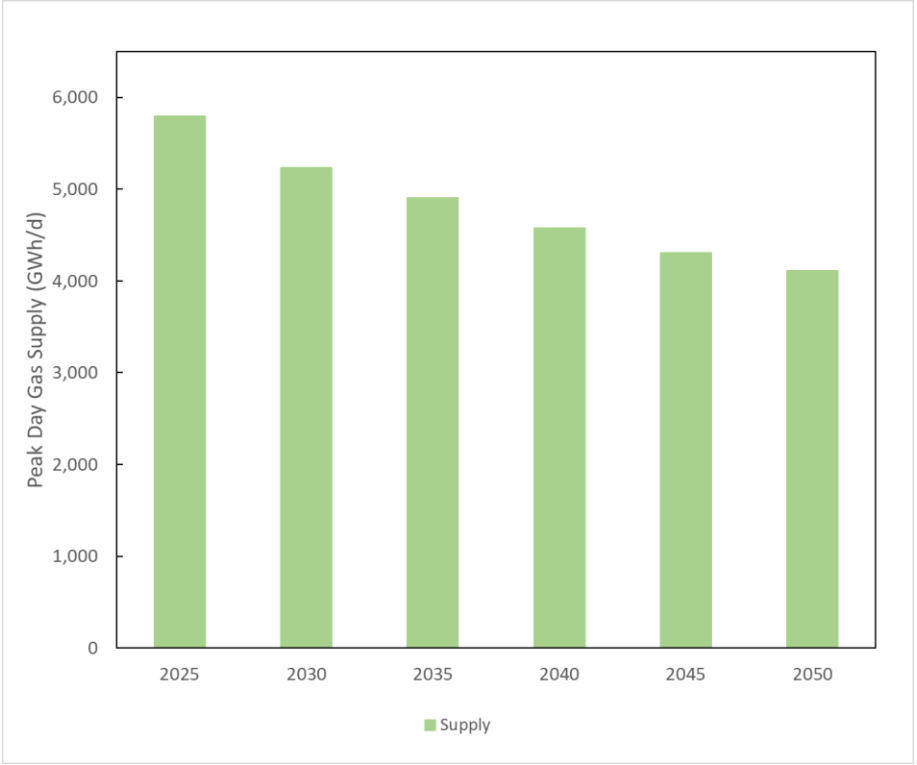

Figure 1: Estimated max. daily supply, 2025-50 (high storage levels). Source: DESNZ Gas System in Transition: Security of Supply consultation

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From the 2030s, this may result in tight supply margins during high stress, low probability events

- NESO analysis indicates that supply margins will remain comfortable during typical, 'BAU' winter conditions.
- However, under higher gas demand pathways, '**peak day demand**' (the highest daily demand we can reasonably expect) is not expected to fall in line with reduced max. supply.
- As such, from the 2030s, if no further action is taken, supply margins during rare peak 1-in-20-year demand days could become tight or even negative. This is only under higher gas demand pathways (see figure 2).
- Additionally, negative supply margins may arise in the 2030s under all gas demand pathways in an 'N-1 scenario' (major infrastructure failure during a peak 1-in-20-year demand day).

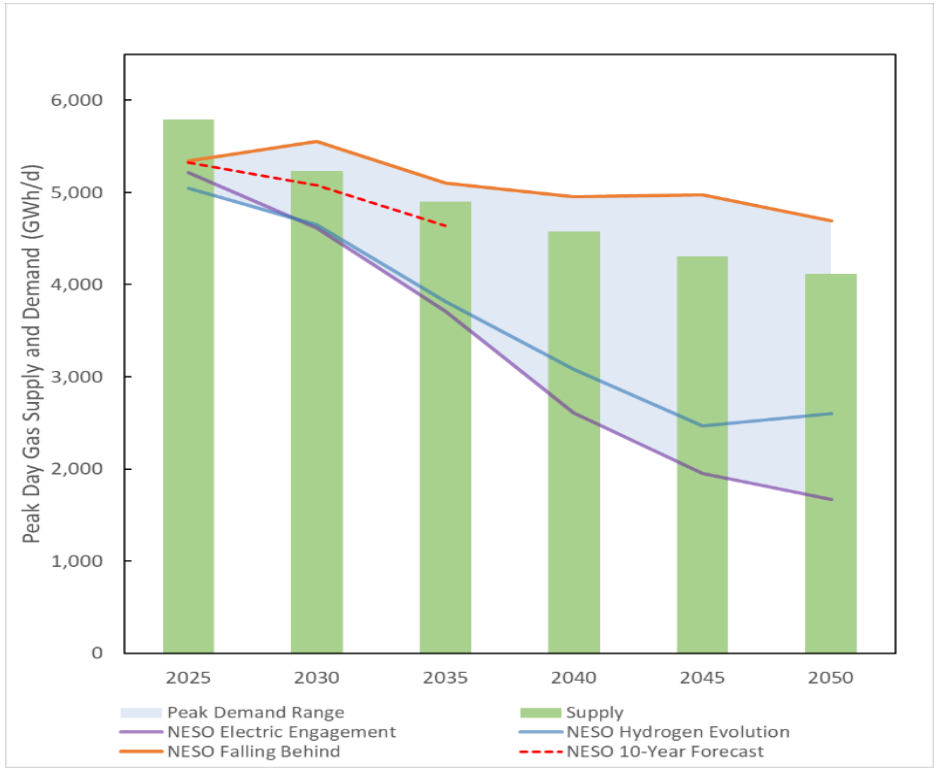

Figure 2: Estimated peak 1-in-20 day supply margins, 2025-50 (high storage levels). Source: DESNZ Gas System in Transition: Security of Supply consultation

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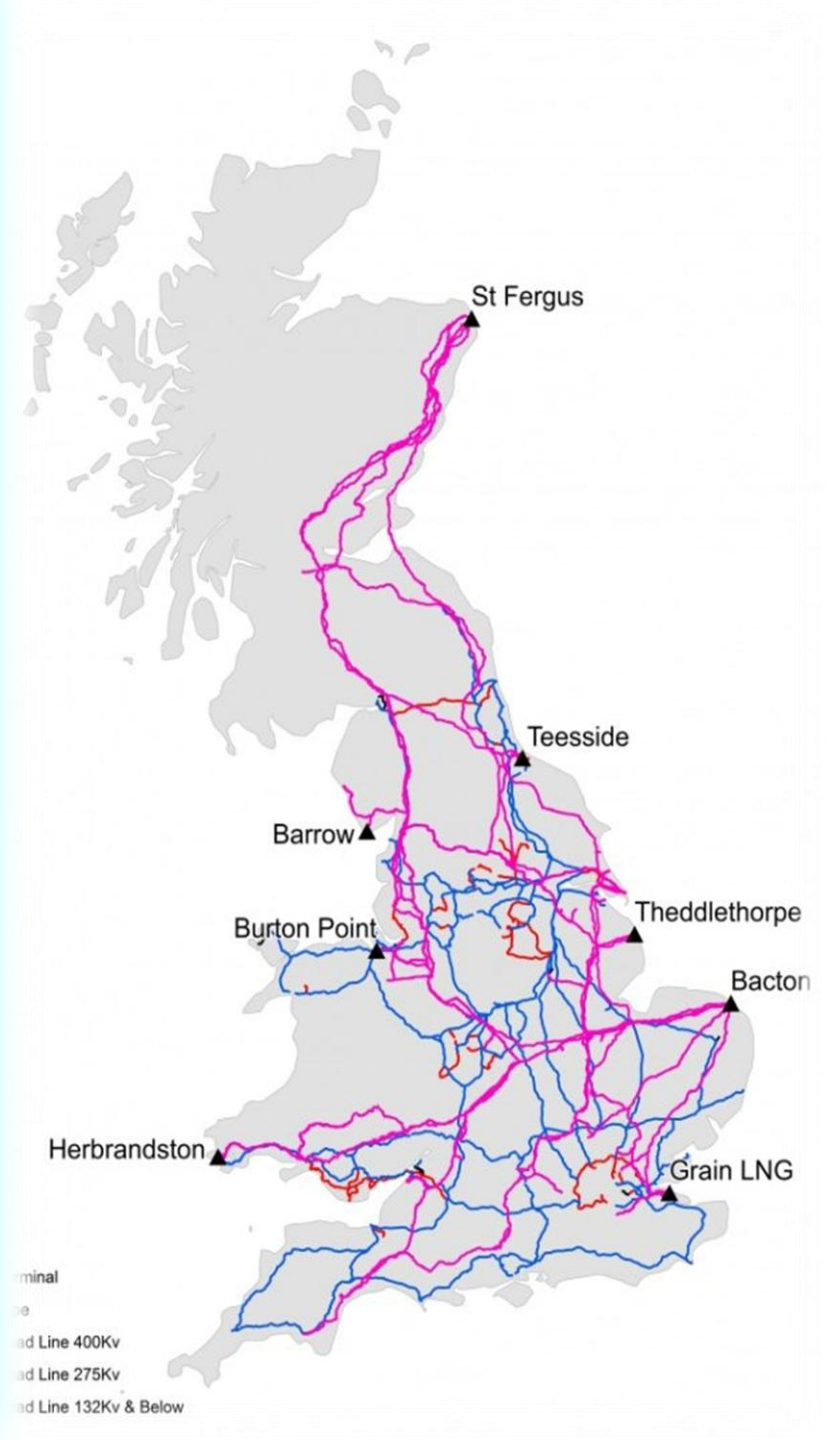
Three priorities for GB gas security of supply

1. Ensuring we have sufficient **infrastructure capacity** to meet peak day demand

2. Ensuring the **resilience** of the gas system

3. Ensuring we have a **commercial model** that supports our infrastructure



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To achieve these priorities, we are consulting on a range of policy options

- Floating Storage and Regasification Unit (FSRU) – supporting industry to locate an FSRU or direct HMG chartering
- HMG strategic storage reserve
- Exploring HMG powers to ensure gas is injected, withdrawn and available when needed
- Gas contracting (encouraging industry or HMG to undertake longer-term gas contracting)

Meeting rare peak day demand 1

- Options to increase GB's infrastructure capacity (to meet Priority 1) may also increase GB's supply flexibility and diversity, thereby supporting Priority 2.
- Options to meet priorities 1 and 2 have therefore been grouped together in our consultation, although they will be assessed against both priorities.

Resilience to unplanned outages 2

- Revenue support for key midstream infrastructure operators. This includes a range of potential revenue support models (Regulated Asset Based model, cap and floor, capacity frontstop or backstop, contracts for difference or a capacity market).
- Potential regulatory amendments, including
  - Upper Wobbe Limit
  - Methane emissions reporting requirements

Ensuring a commercial model for our midstream infrastructure 3

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Our consultation is the first in a series of '*Gas in Transition*' evidence gathering publications

Gas in Transition: Security of Supply

Aim: To consult on whether and how HMG might need to intervene to mitigate long-term risks to UK gas security of supply

Gas in Transition: Network Investment and Affordability – 2026

Aim: Build evidence base on options for recovering gas investment – specifically ensuring networks remain attractive to investors, whilst protecting consumer affordability as the number of gas users shrinks

Gas in Transition: Operationalising the Gas Network Transition – 2026

Aim: Call for Evidence, exploring how the gas network transition can be operationalised in a way that is fair, planned and orderly.

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Our consultation closes on 18 February 2026

Next steps

Next Step	Date
Engagement	Jan-Feb 2026
Consultation closes	**18 Feb 2026**
Review responses and hold further engagement as required	Feb – May 2026
HMG publish consultation response	TBC (statutory duty to respond within 12 weeks of consultation closure)
Where legislation is required, we will work with Cabinet Office on legislative vehicles	Summer – Winter 2026
Work with HMT where HMG funding is needed	Summer – Winter 2026
Potentially further consultation to narrow down specific options in time to mitigate risks in 2030	TBC (2026 or 2027)

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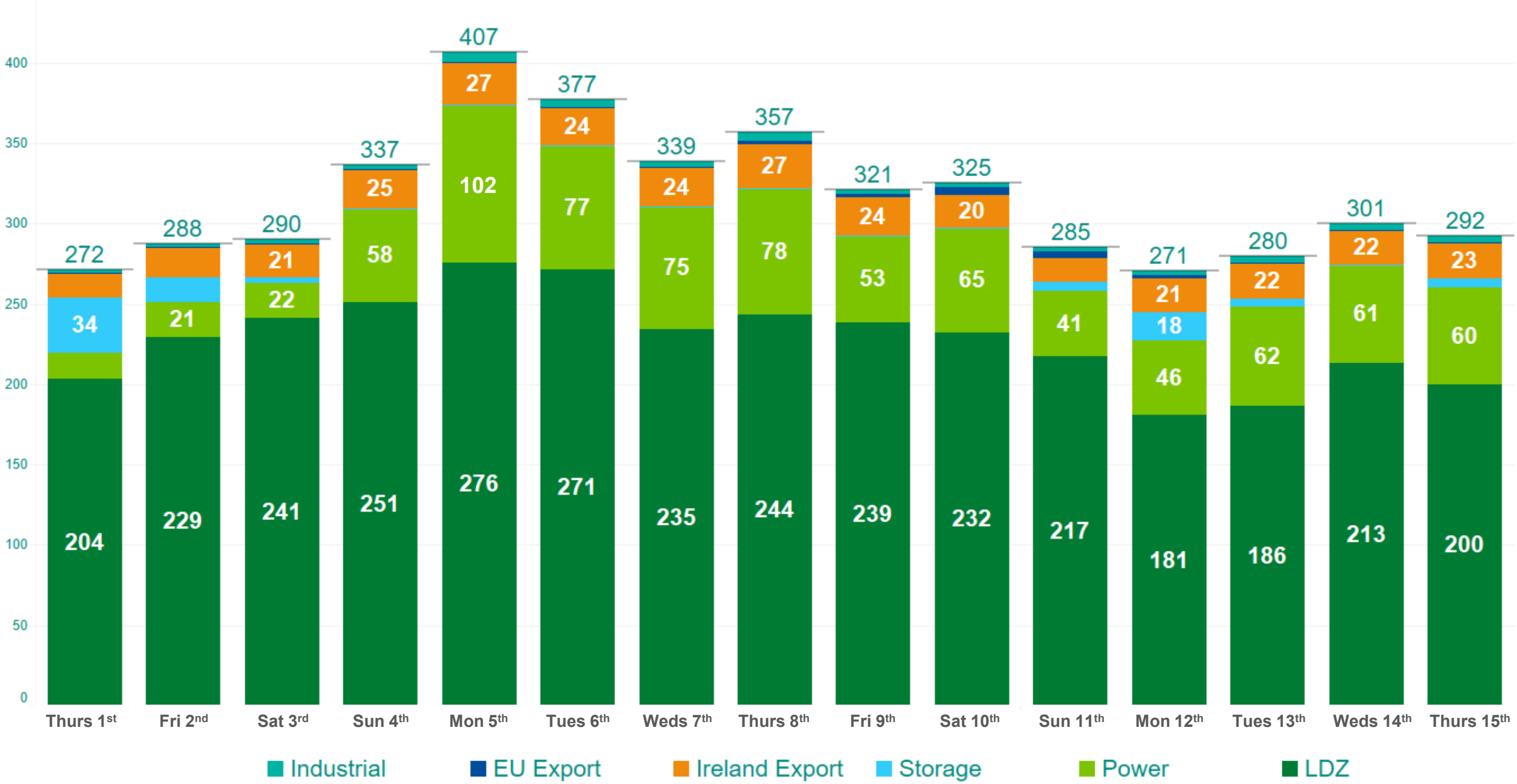
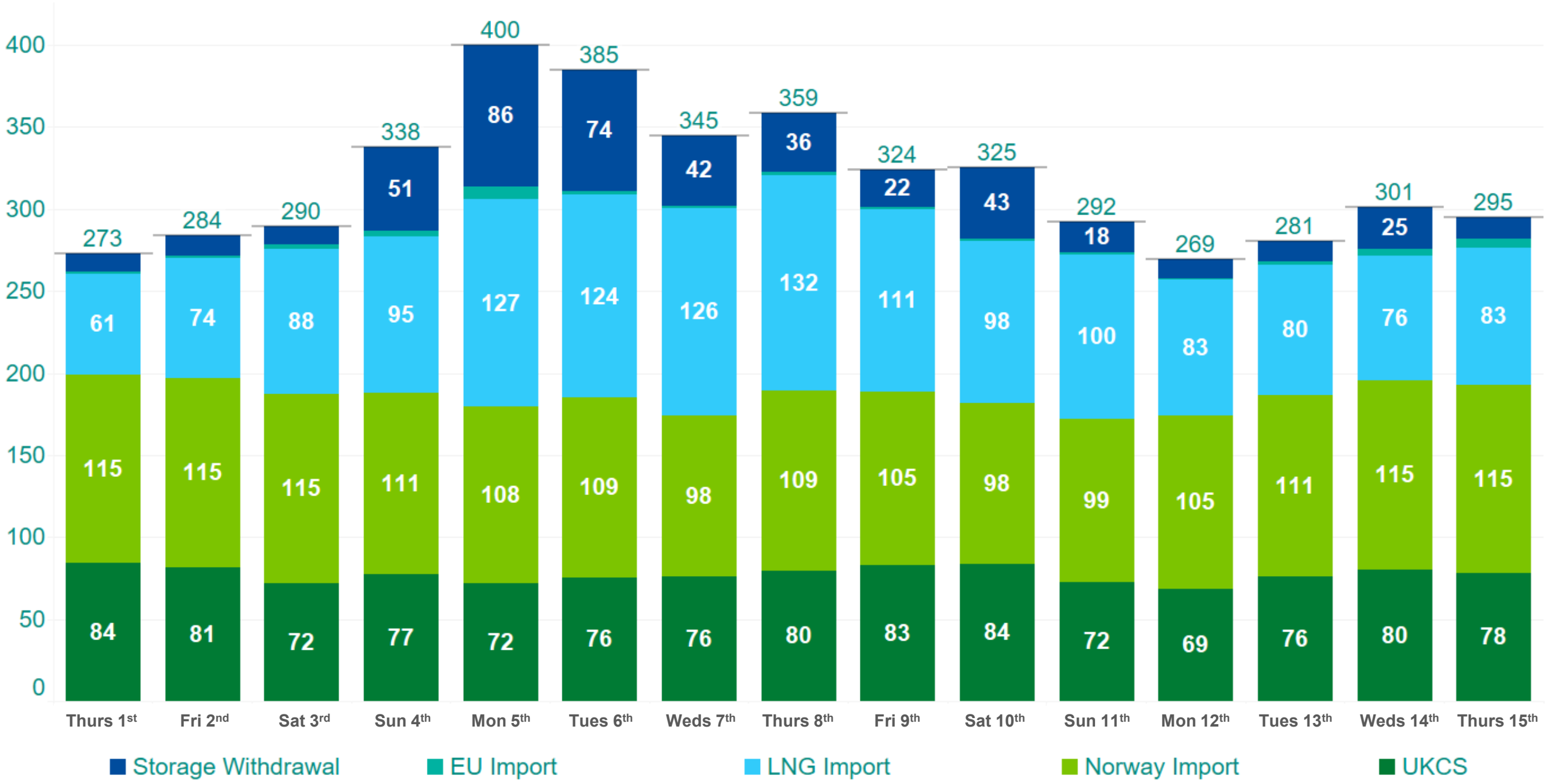
Max Chapman

Operational Liaison Manager
National Gas

January Demand

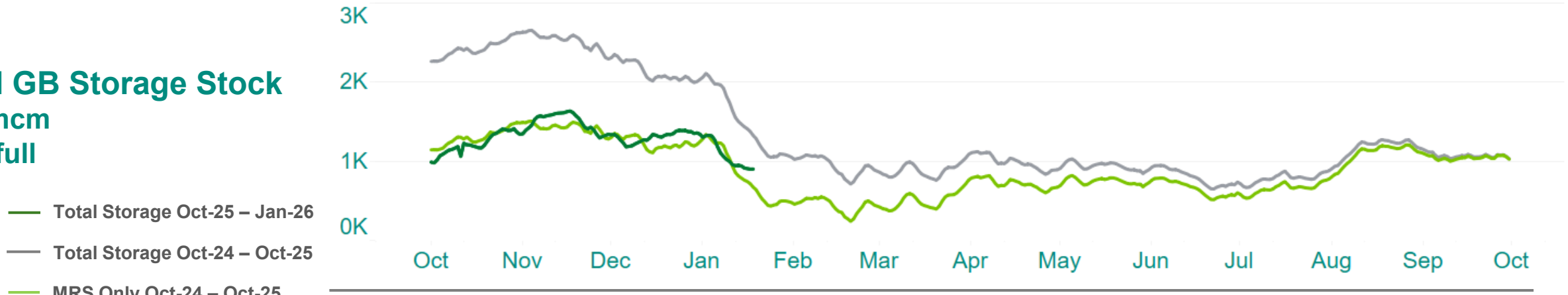


January Supply

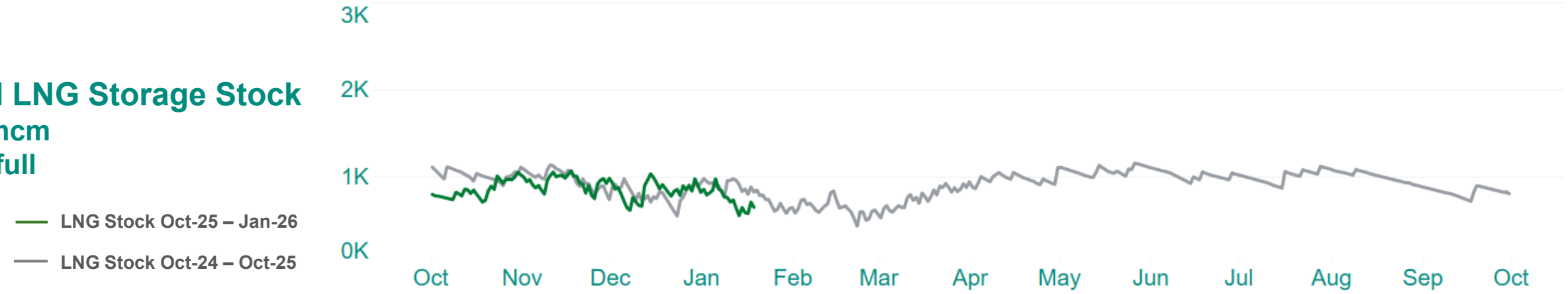


Storage Levels

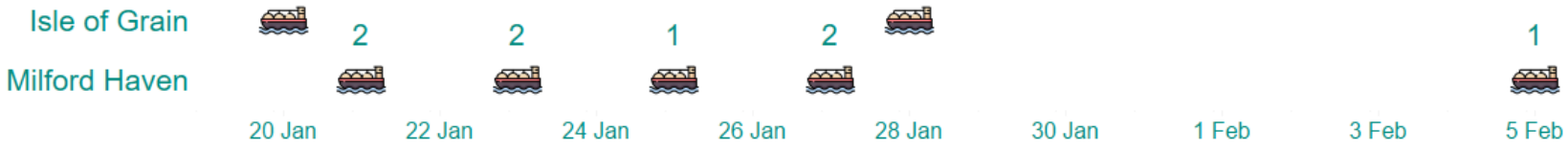
Total GB Storage Stock
935 mcm
28% full



Total LNG Storage Stock
667 mcm
52% full



LNG Cargo Outlook



All data as at 12:00 20/1

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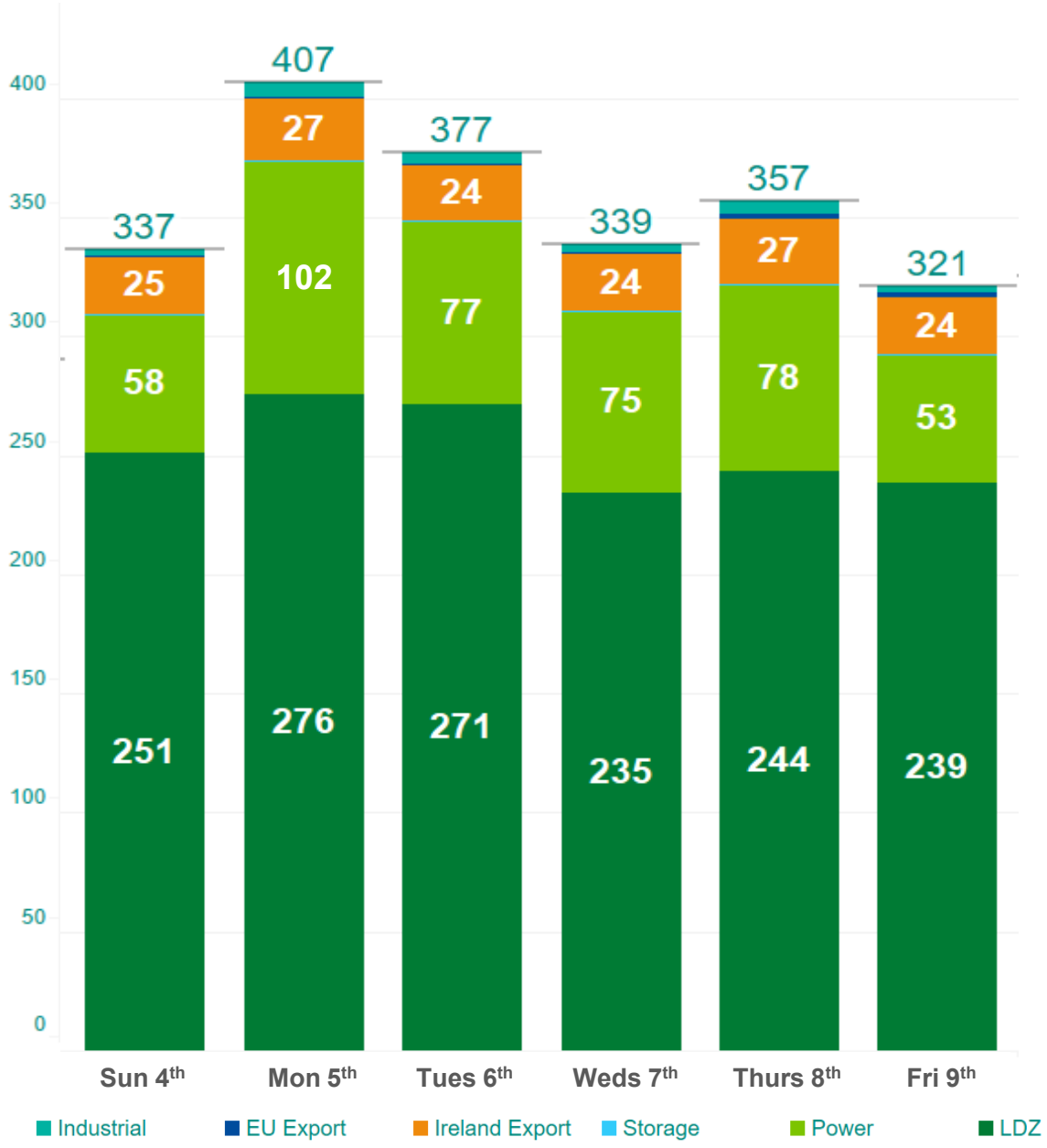
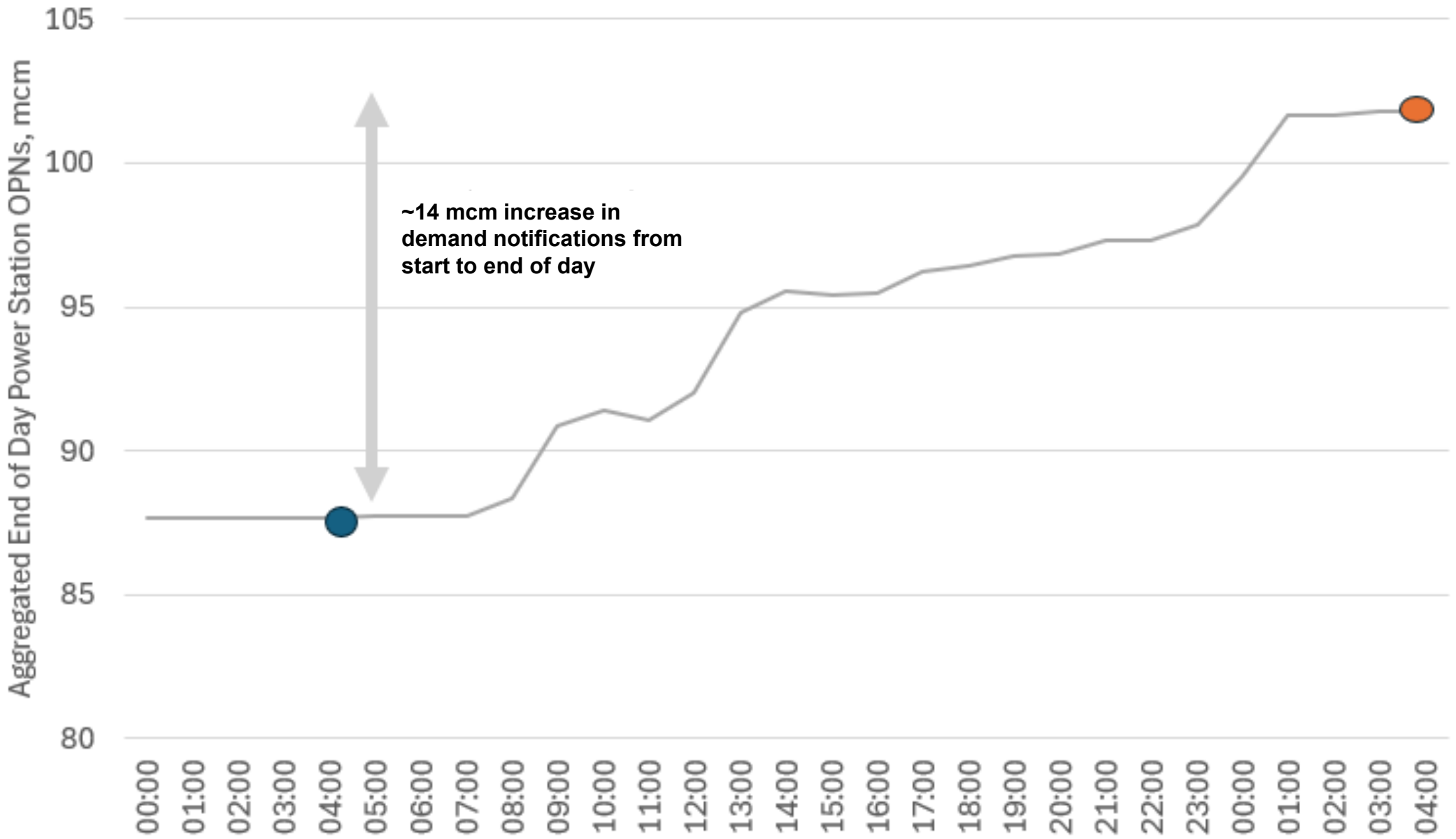
5th January: Overview

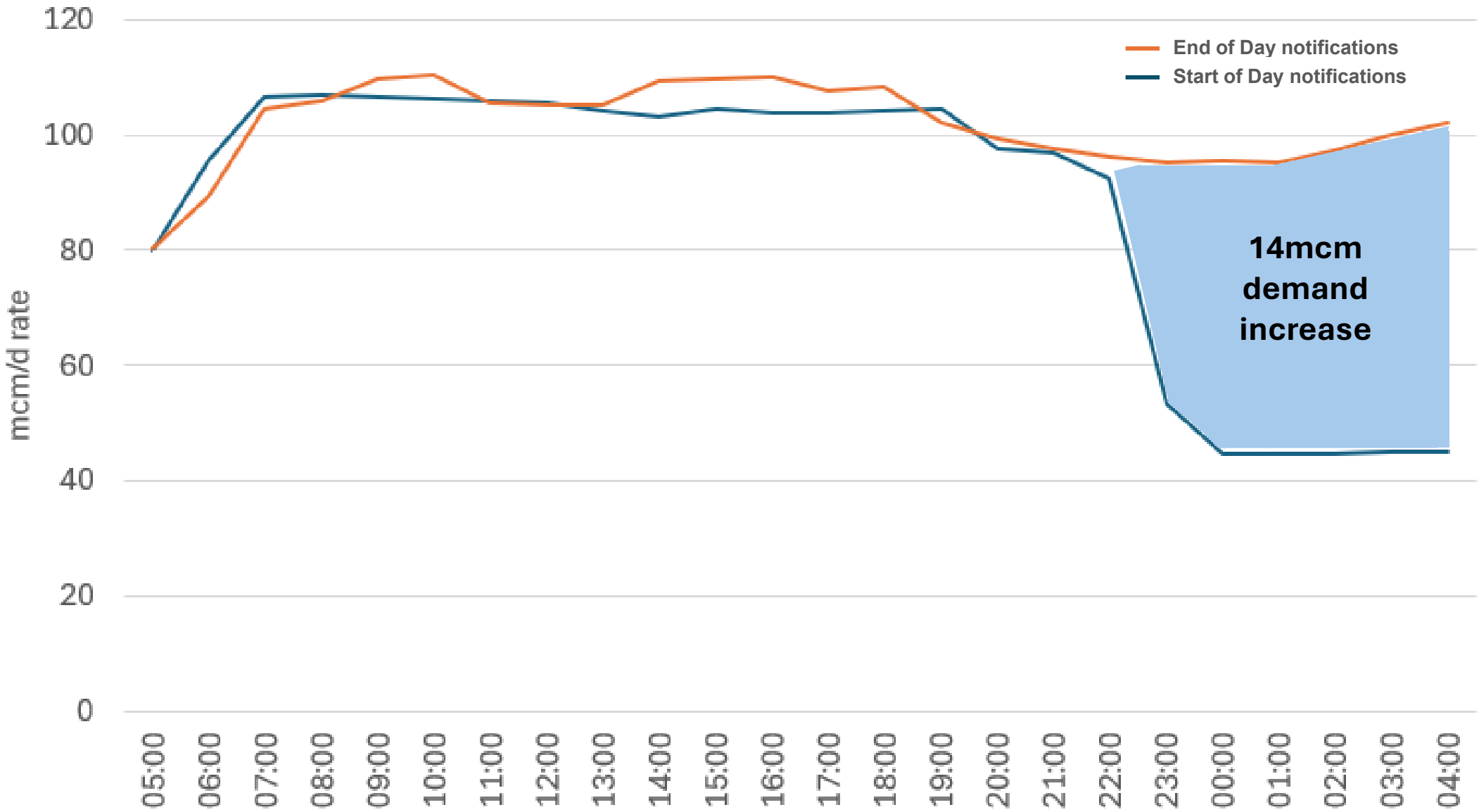


- Demand increased by 26mcm over the Gas Day
- 14mcm of this was increased Power Station demand
- This demand typically materialises in Southern and South-East extremities
- Greater pressure drops = increased flexibility requirements in NTS operations
- Within Day Linepack swing of 30mcm
- Demand exceeded supply by 7mcm over the gas day

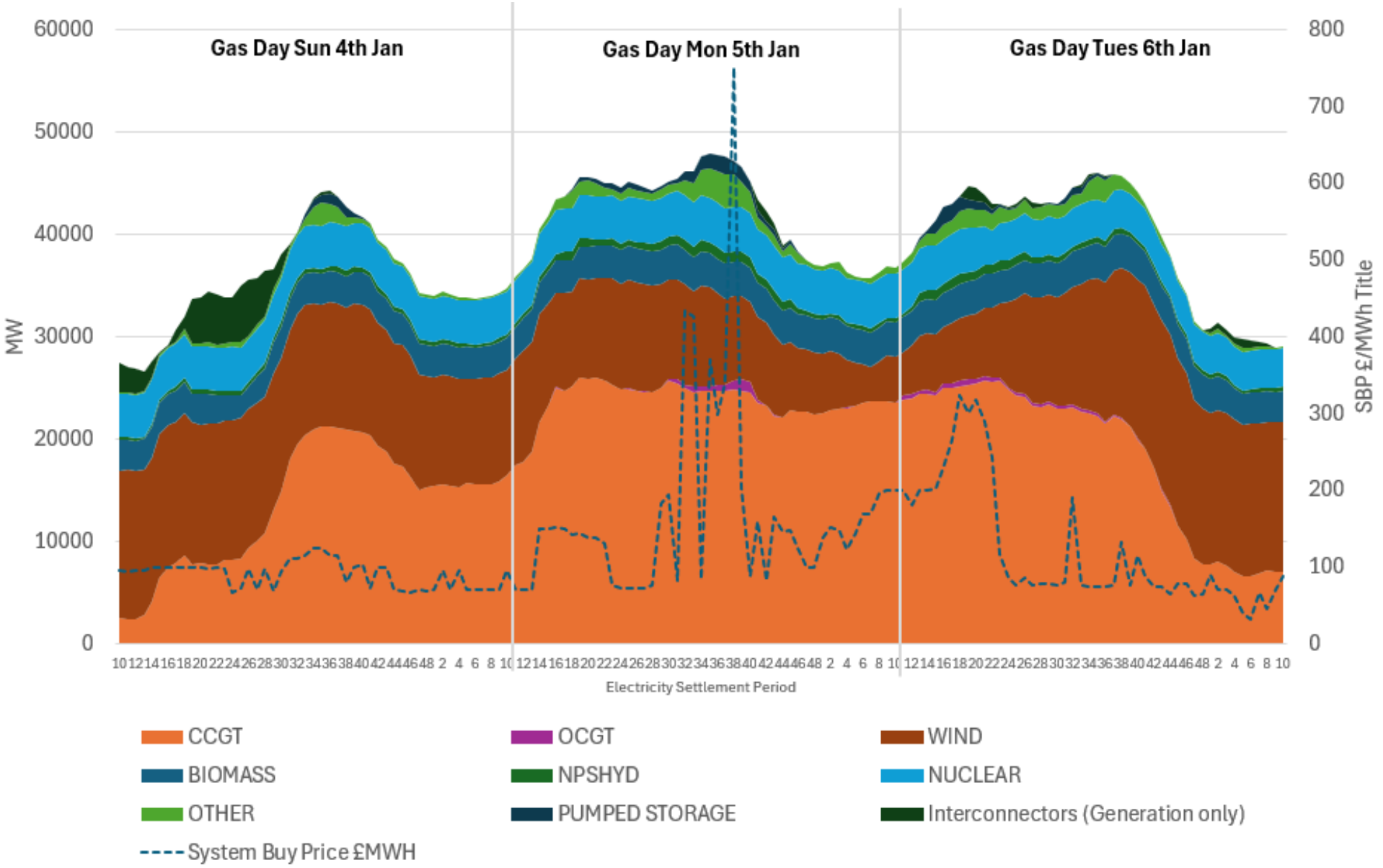
5th January: Power Station Offtake Notifications



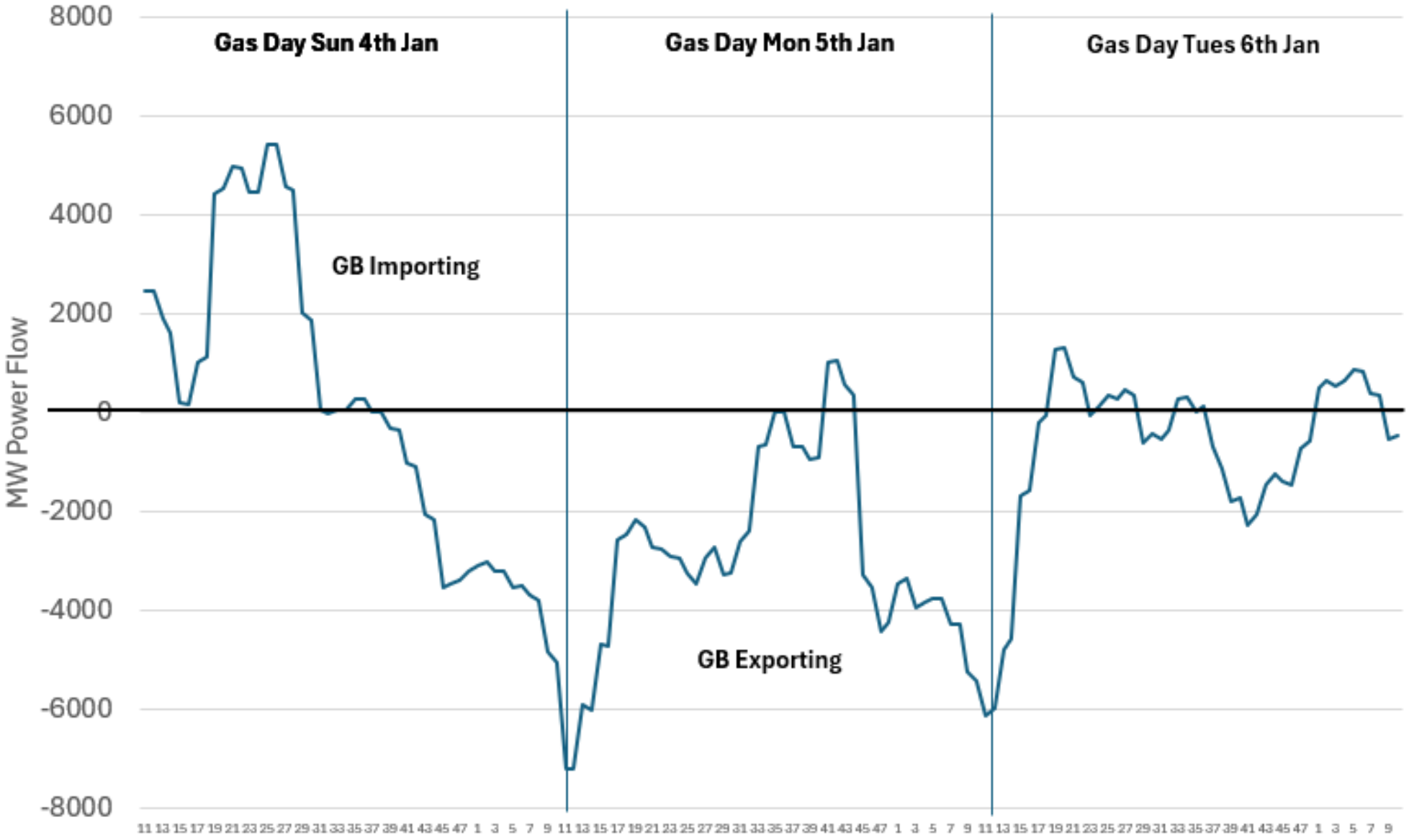
5th January: Power Station Demand Increase



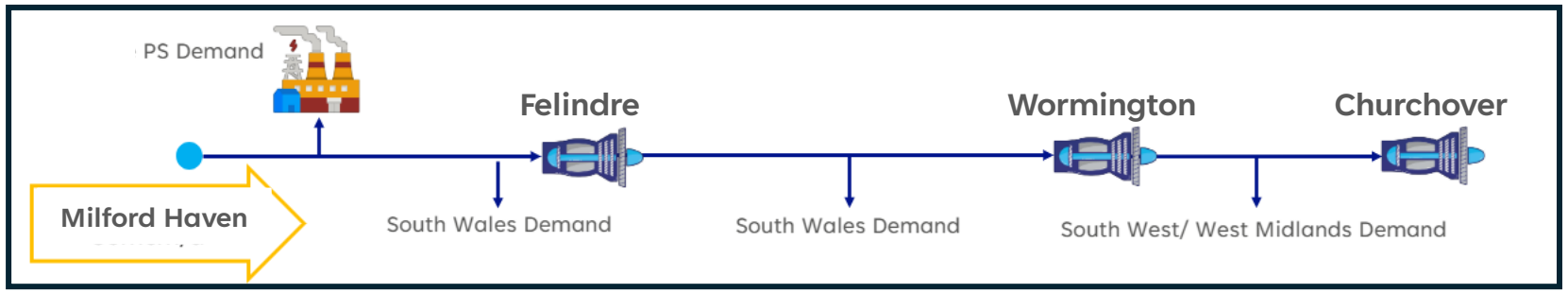
5th January: GB Electricity Generation Mix



5th January: GB Electricity Imports/Exports



South Wales: Overview



Key Features:

- A high supply / low demand part of the NTS
- Able to provide >20% of GB supplies on a high demand day
- Cargo deliveries driven by global LNG markets and upstream contracts
- Transmission away from Milford Haven achieved via 3 key compressor stations
- Local demand from Power Station and Distribution Network offtakes

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South Wales: Preparedness Activities

- Winter assurance runs conducted routinely
- Detailed demand/supply forecasts conducted from 8 weeks ahead
- Original forecast for high demand (~376mcm)
- Highlighted reliance on certain compressor stations
- Testing conducted successfully ahead of forecast increases, simulating network conditions
- Enhanced on-site support

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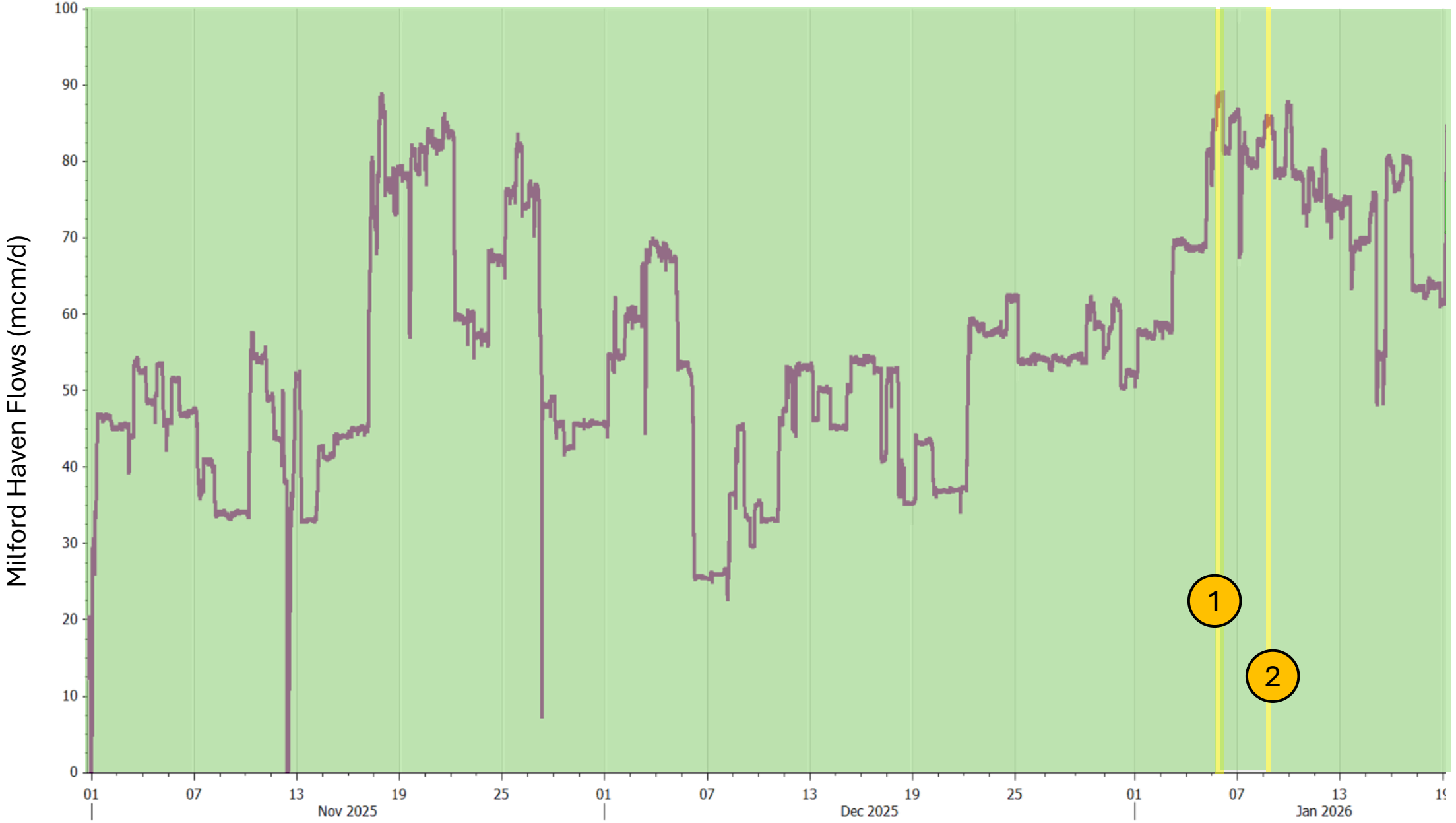
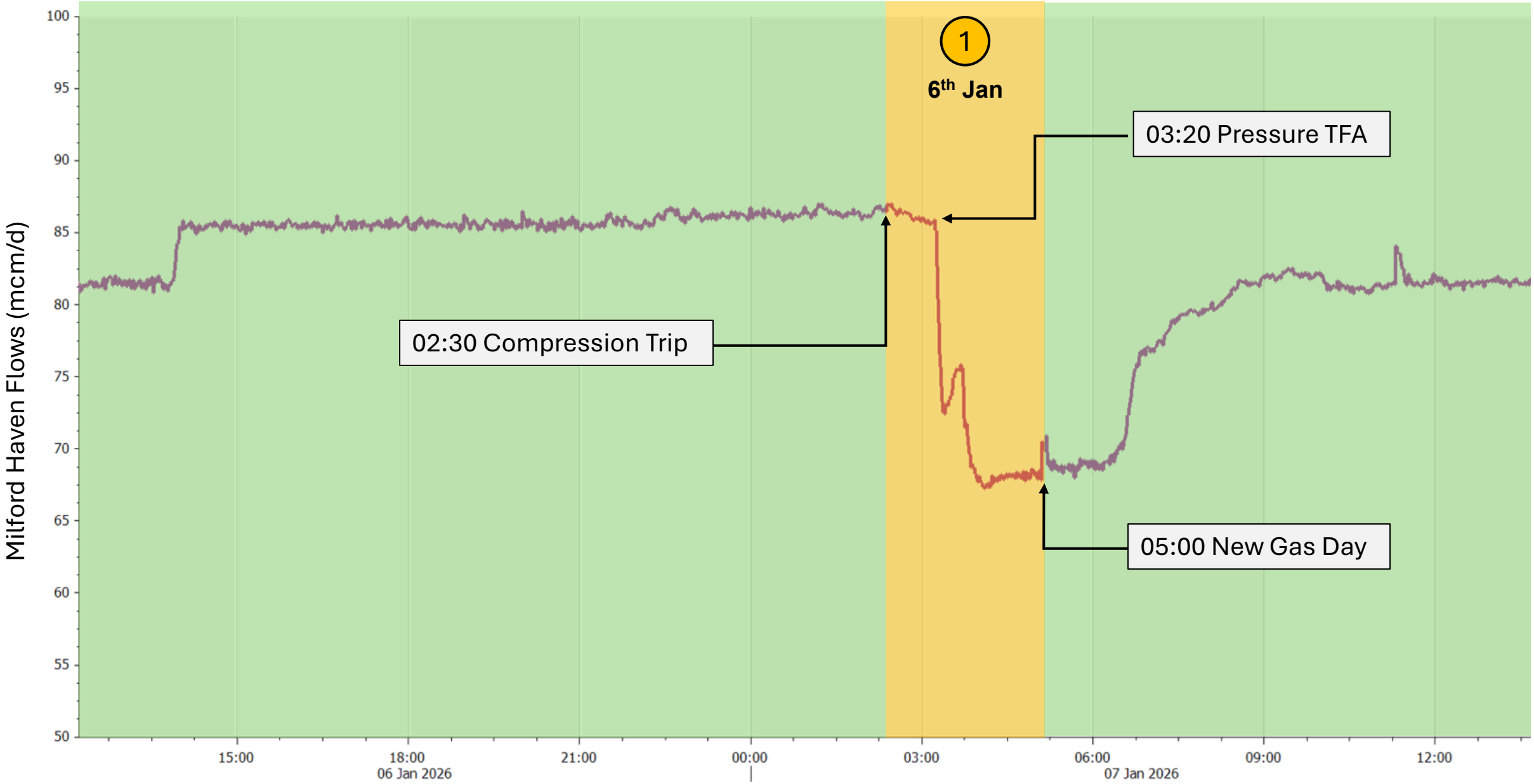
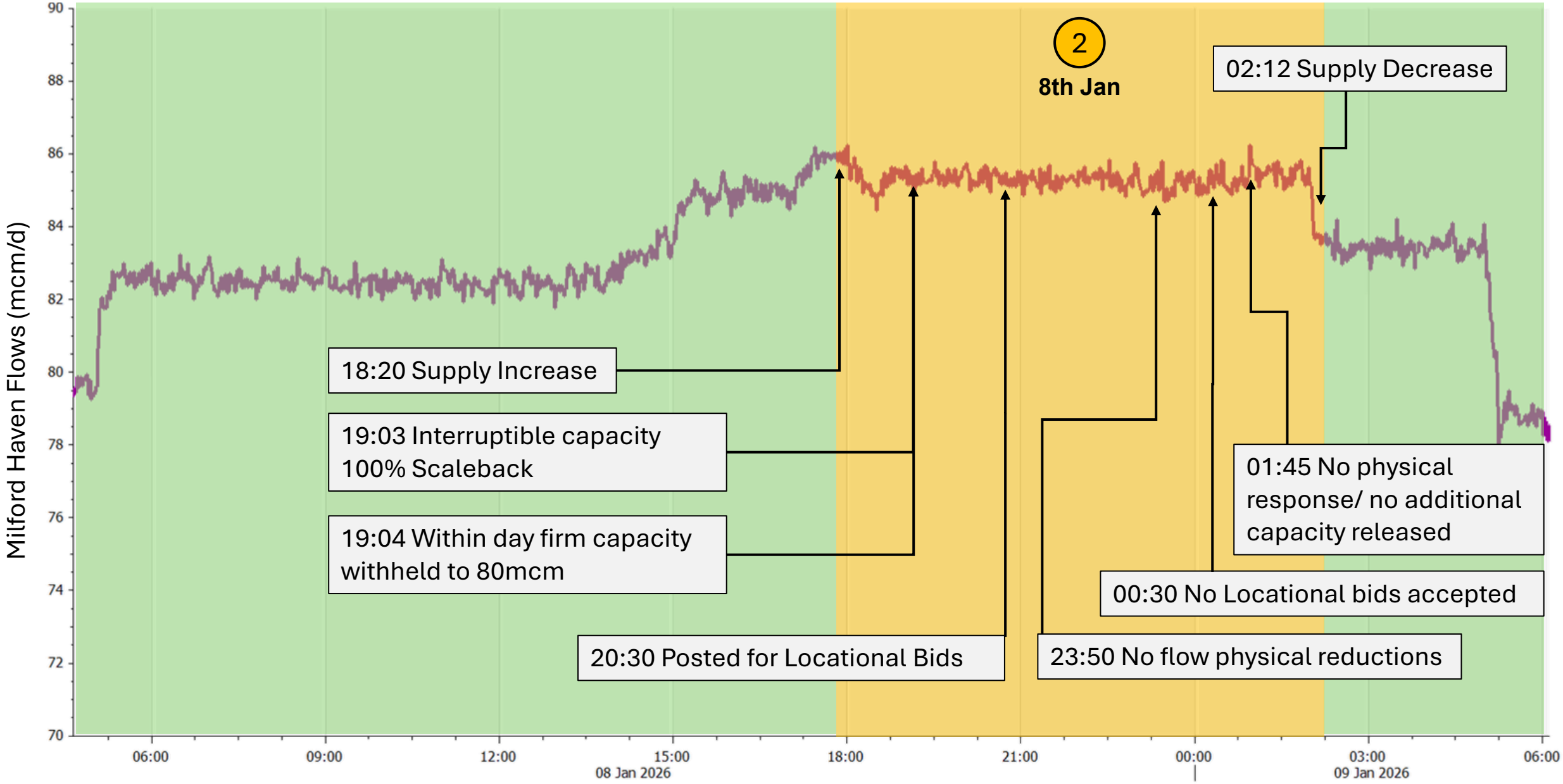
South Wales: Interesting Days



South Wales: Interesting Days



South Wales: Interesting Days



Summary

What happens next?

- Assess multitude of operational data from focus periods
- Locational action timings analysis
- Identified ANS (Active Notification System) functionality improvements on Gas Data Portal
- Liaising with Operations colleagues and understanding shared objectives

In other news:

- Still in height of Winter
- Updates on this at the next NGEF!

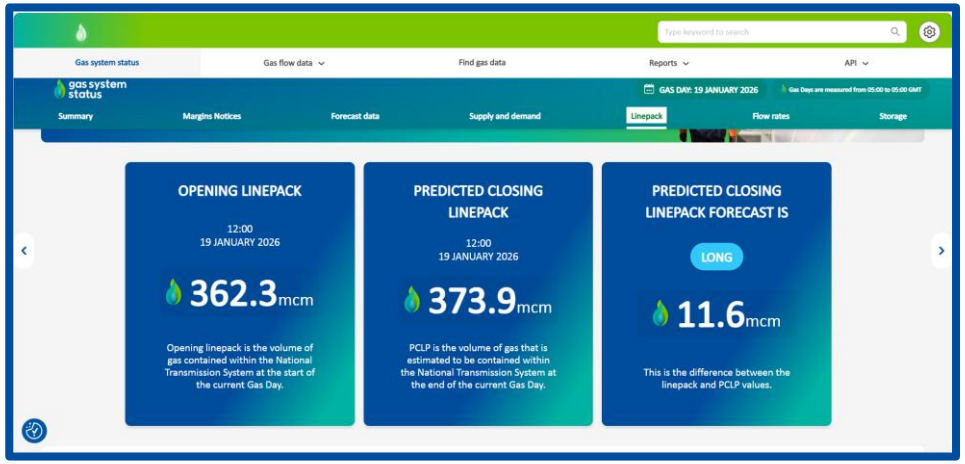
General Updates

Calculated Linepack Utilisation Report

Current

https://www.nationalgas.com/our-businesses/operational-data/our-data#docs-three-1

New



Home | National Gas Transmission Data Portal

Location: Gas System Status / Reports

Features: Forecast Minimum Linepack, Forecast Minimum Linepack Hour Bar & Timestamps

Q&A Panel

Tom Marzec-Manser
Director

Wood Mackenzie

Michaela Bowers
Head of Gas Supply Policy

Department for Energy Security & Net Zero

Max Chapman
Operational Liaison Manager

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Thank you for attending!

We look forward to seeing you online 12th March 2026 and in person 16th April 2026

If you would like to provide any feedback on the forum, please email Box.OperationalLiaison@nationalgas.com

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