



Date: 29 September 2016

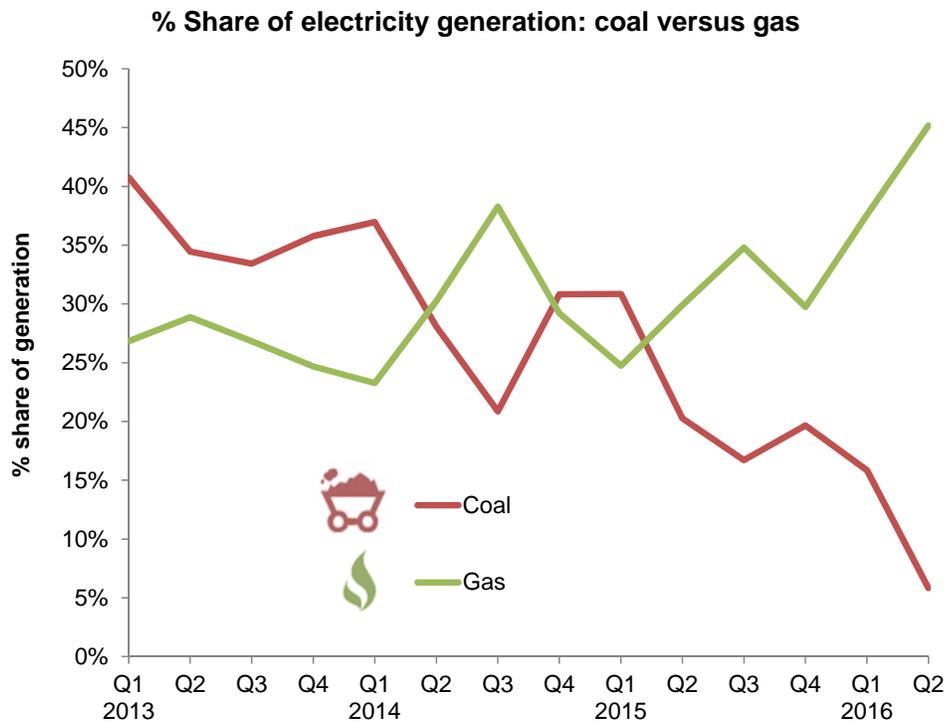
STATISTICAL PRESS RELEASE

UK Energy Statistics, Q2 2016

Energy Trends and Energy Prices publications are published today 29 September 2016 by the Department for Business, Energy and Industrial Strategy.

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.

- There has been a large switch in generation from coal to gas. Of electricity generated in the second quarter of 2016, coal accounted for 5.8 per cent - a record low, whilst gas grew to a 45.2 per cent share, which will have reduced carbon dioxide emissions.



The main points for the second quarter of 2016 are:

- Total energy production was 3.6 per cent lower than in the second quarter of 2015.
- Total primary energy consumption for energy fell by 0.5 per cent. However, when adjusted to take account of weather differences between the second quarter of 2015 and the second quarter of 2016, total primary energy consumption fell by 2.1 per cent continuing the downward trend.
- Final energy consumption (excluding non-energy use) was 1.7 per cent higher than in the second quarter of 2015. The average temperature in the second quarter of 2016 overall was 0.2 degrees Celsius warmer than the same period a year earlier, however April 2016 was 1.6 degrees cooler than a year earlier. On a temperature corrected basis, final energy consumption was up 3.1 per cent.
- Of electricity generated in the second quarter of 2016, gas accounted for 45.2 per cent, whilst coal accounted for a record low of only 5.8 per cent. Nuclear generation accounted for 21.3 per cent of total electricity generated in the second quarter of 2016.
- Renewables share of electricity generation (hydro, wind and other renewables) fell from 25.4 per cent in 2015 Q2 to 24.9 per cent in 2016 Q2, despite increased capacity, due to less favourable weather conditions.
- Renewable electricity generation was 19.5 TWh in the second quarter of 2016, a fall of 2.2 per cent on the same period a year earlier.
- Switching rates for domestic consumers increased in Q2 2016 for both electricity and gas. For electricity, over 1 million customers switched in this period, which was 43 per cent higher than the same period in 2015. For gas, 32 per cent more customers switched compared to Q2 2015, with around 790,000 switches made.

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 BEIS section of the GOV.UK website at: www.gov.uk/government/organisations/department-for-business-energy-and-industrial-strategy/about/statistics



The September 2016 edition of Energy Trends also includes articles on:

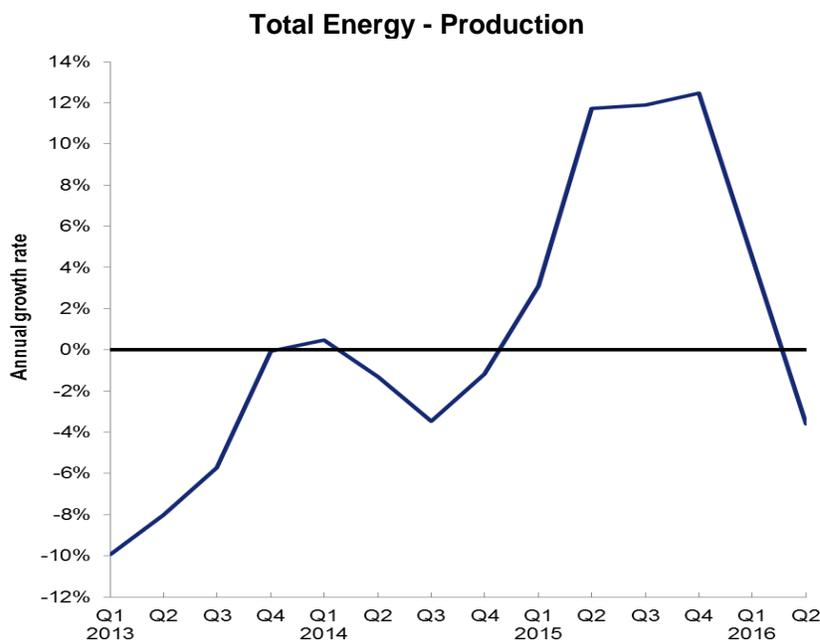
- Renewable electricity in Scotland, Wales, Northern Ireland and the regions of England in 2015
- Combined Heat and Power in Scotland, Wales, Northern Ireland and the regions of England in 2015
- Diversity of supply for oil and oil products in OECD countries in 2015
- Competition in gas supply
- Competition in UK electricity markets
- New methodology for estimating inland deliveries of road fuels and gas oil
- Coal in 2015
- International energy price comparisons

The following statistics are also published today 29 September 2016 by the Department for Business, Energy and Industrial Strategy:

- Feed-in Tariff commissioned installations, August 2016
www.gov.uk/government/statistics/monthly-small-scale-renewable-deployment
- Greenhouse gas emissions, Q2 2016
www.gov.uk/government/collections/uk-greenhouse-gas-emissions-quarterly-official-statistics
- Smart Meters installations, Q2 2016
www.gov.uk/government/collections/smart-meters-statistics
- Solar photovoltaics deployment, August 2016
www.gov.uk/government/statistics/solar-photovoltaics-deployment
- Sub-national residual fuel use, 2014
www.gov.uk/government/collections/sub-national-consumption-of-other-fuels
- Sub-national total energy use, 2014
www.gov.uk/government/collections/total-final-energy-consumption-at-sub-national-level
- Sub-national electricity consumption in Northern Ireland, 2014
www.gov.uk/government/collections/northern-ireland-electricity-consumption-data



TOTAL ENERGY: QUARTER 2 2016



	2016 Q2 <i>Million tonnes of oil equivalent</i>	Percentage change on a year earlier
Total production	31.0	-3.6
Oil	13.3	+1.0
Natural gas	10.0	-4.0
Primary electricity ⁽¹⁾	4.7	-3.1
Bioenergy & waste	2.4	+8.8
Coal	0.6	-60.4

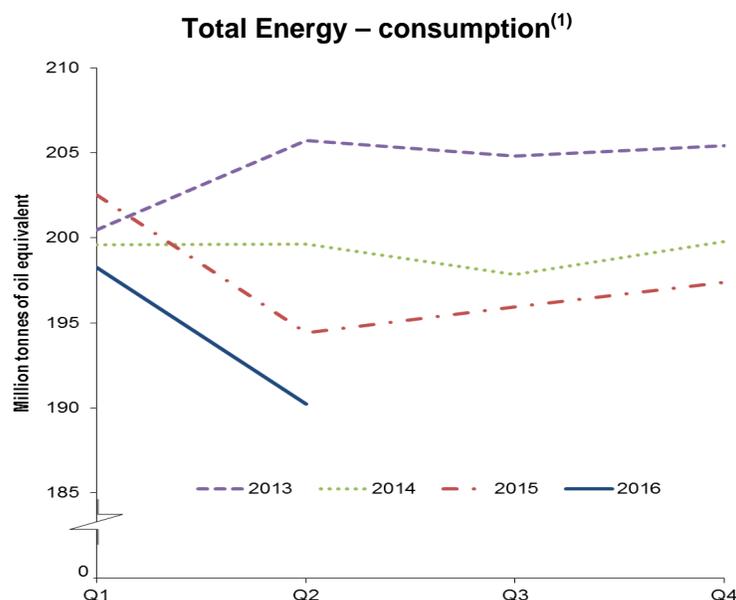
(1) Nuclear and wind & natural flow hydro electricity

- Total energy production in the second quarter of 2016 was 31.0 million tonnes of oil equivalent, 3.6 per cent lower than in the second quarter of 2015.
- Production of oil rose by 1.0 per cent, boosted by new fields coming online and also less maintenance activity than last year, whilst production of natural gas fell by 4.0 per cent.
- Primary electricity output in the second quarter of 2016 was 3.1 per cent lower than in the second quarter of 2015. Nuclear electricity output was 1.5 per cent lower, whilst output from wind, natural flow hydro and solar combined was 8.5 per cent lower, despite an increase in wind and solar capacity, due to less favourable weather conditions (lower wind speeds, rainfall and sun hours).
- Production of bioenergy and waste was 8.8 per cent higher compared to the second quarter in 2015, whilst coal production fell by 60 per cent due to mines closing and some other mines producing less coal as they are coming to the end of operation.

Total energy quarterly tables ET 1.1 – 1.3 are available on the BEIS section of the GOV.UK website at: www.gov.uk/government/statistics/total-energy-section-1-energy-trends



TOTAL ENERGY: QUARTER 2 2016



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

	2016 Q2 <i>Million tonnes of oil equivalent</i>	Percentage change on a year earlier
Total consumption		
<i>Unadjusted</i>	44.0	-0.5
<i>Seasonally adjusted and temperature corrected – annual rate</i>	190.2	-2.1
Final energy consumption: <i>unadjusted</i>	31.4	+1.7
<i>temperature corrected</i>	35.7	+3.1

When examining seasonally adjusted and temperature corrected annualised rates:

- Total inland consumption on a primary fuel input basis was 190.2 million tonnes of oil equivalent in the second quarter of 2016, 2.1 per cent lower than the same quarter in 2015.
- Between the second quarter of 2015 and the second quarter of 2016, coal and other solid fuel consumption fell by 58 per cent, driven by decreased coal use in electricity generation.
- Oil consumption rose by 2.7 per cent, whilst gas consumption rose by 13.0 per cent due to increased demand from electricity generators.
- Primary electricity consumption fell by 3.0 per cent.

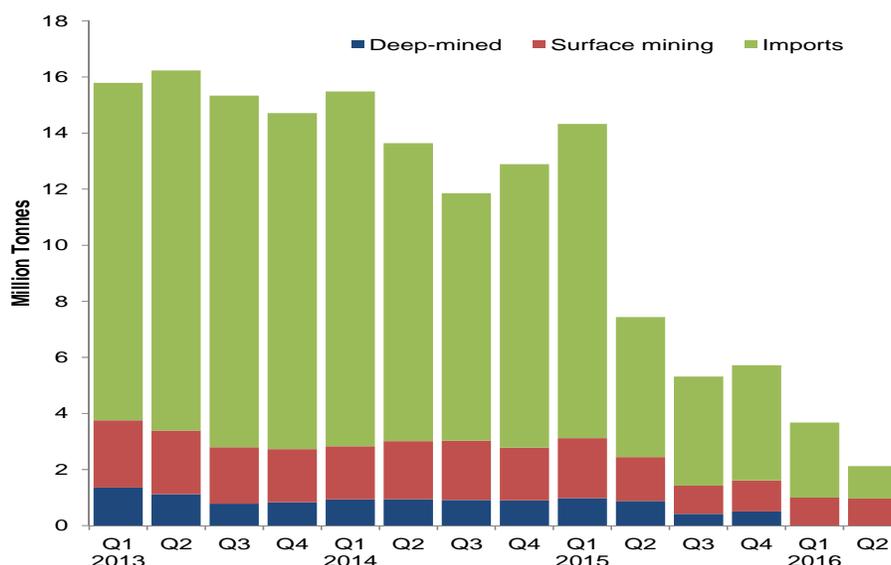
Final energy consumption (excluding non-energy use) was 1.7 per cent higher in the second quarter of 2016 compared to the same quarter a year earlier. The average temperature in the second quarter of 2016 was 0.2 degrees Celsius warmer than a year earlier, however April 2016 was 1.6 degrees Celsius cooler than April 2015. On a temperature corrected basis, final energy consumption was up 3.1 per cent over the same period.

Total energy quarterly tables ET 1.1 – 1.3 are available on the BEIS section of the GOV.UK website at: www.gov.uk/government/statistics/total-energy-section-1-energy-trends



COAL: QUARTER 2 2016

Coal production and imports



	2016 Q2 Thousand tonnes	Percentage change on a year earlier
Coal production	962	-60.6
Coal imports	1,156	-76.9
Coal demand	3,309	-60.6
- Power stations	1,802	-70.5
- Coke ovens & blast furnaces	783	-48.8
- Final users	630	-3.2

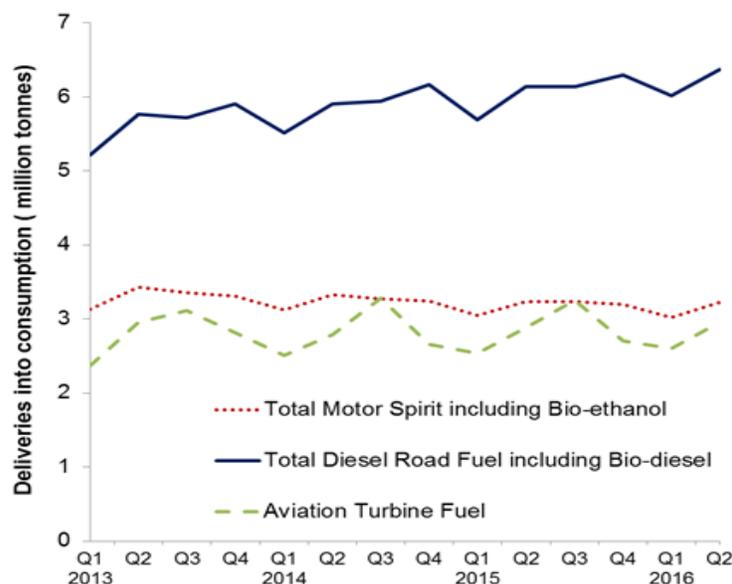
- Provisional figures for the second quarter of 2016 show that coal production fell to a new record low of 1.0 million tonnes, 61 per cent lower than the second quarter of 2015. Deep mined production was down 99 per cent to 6 thousand tonnes, the lowest on record. This was due to Hatfield and Thoresby collieries closing in early July 2015, and Kellingley, the last large deep mine in operation, closing on 18 December 2015. Surface mine production was down by 39 per cent to 1.0 million tonnes, also a record low. This was due to a number of collieries/companies closing, and some other mines producing less coal as they near the end of operation.
- Imports of coal in the second quarter of 2016 were 77 per cent lower than in the second quarter of 2015 at 1.2 million tonnes, due to low demand. This was the lowest value for at least 18 years.
- Total demand for coal in the second quarter of 2016 was 3.3 million tonnes, 61 per cent lower than in the second quarter of 2015, with consumption by electricity generators down by 71 per cent to 1.8 million tonnes, a new record low.
- Coal stocks showed a fall of 1.3 million tonnes during the second quarter of 2016 and stood at 9.1 million tonnes, 9.5 million tonnes lower than at the end of June 2015.

Coal quarterly tables ET 2.1 – 2.4 are available on the BEIS section of the GOV.UK website at: www.gov.uk/government/statistics/solid-fuels-and-derived-gases-section-2-energy-trends



OIL: QUARTER 2 2016

Demand for key transport fuels



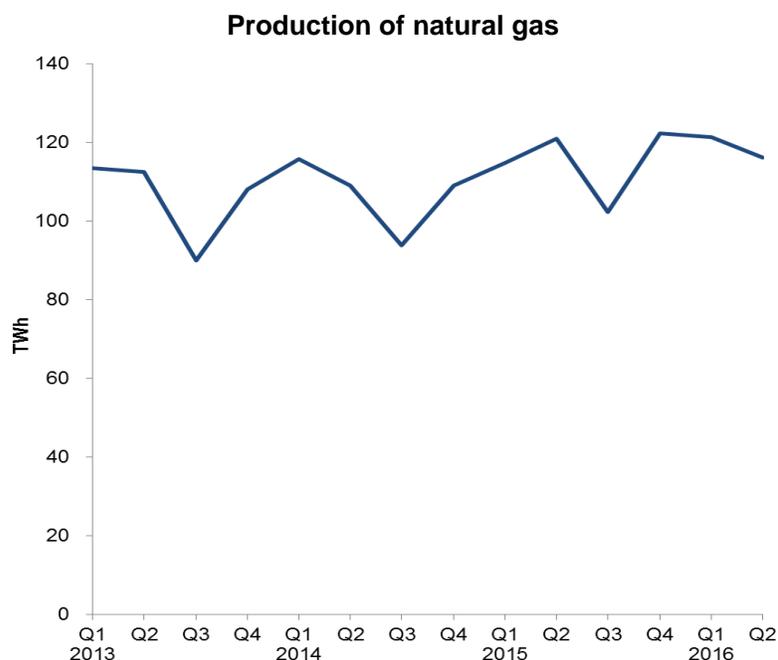
	2016 Q2 <i>Thousand tonnes</i>	Percentage change on a year earlier
Primary oil production	11,414	+0.4
Refinery production	15,725	+7.3
Net imports (all oil)	4,984	+6.5
Petroleum demand	17,290	+4.2
- Motor spirit (including biofuels)	3,072	-0.1
- DERV fuel (including biofuels)	6,173	+2.9
- Aviation turbine fuel	2,951	+2.6

- Indigenous crude oil production flattened off from the strong growth seen since May 2015 and was relatively stable at +0.4 per cent in Q2 2016 compared with the same quarter a year ago. Production was boosted in 2015 by new fields coming online. Elsewhere, there was less planned maintenance than in the same quarter of 2015.
- The UK was a net importer for all oil products in the second quarter of 2016 by 4.9 million tonnes, higher than in the same period of 2015 when the UK was a net importer by 4.7 million tonnes. Most of this was the result of a decrease in primary oil exports.
- Production of petroleum products in Q2 2016 was higher by 7.3 per cent compared with the same quarter in 2015. Refinery production has been strong since the third quarter of 2015. Production this time last year was also affected by maintenance at a major refinery.
- Overall primary demand for petroleum products in the second quarter of 2016 was 4.2 per cent higher than last year.
- Sales of Motor Spirit (unleaded) decreased by just 0.4 per cent in the second quarter of 2016 while sales of DERV (diesel) increased by 2.9 per cent.

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



GAS: QUARTER 2 2016



	2016 Q2 <i>TWh</i>	Percentage change on a year earlier
Gas production	116.1	-4.0
Gas imports	111.6	+20.2
Gas exports	29.0	-27.1
Gas demand	189.3	+16.4
- Electricity generation	73.1	+47.1
- Domestic	50.2	+2.4

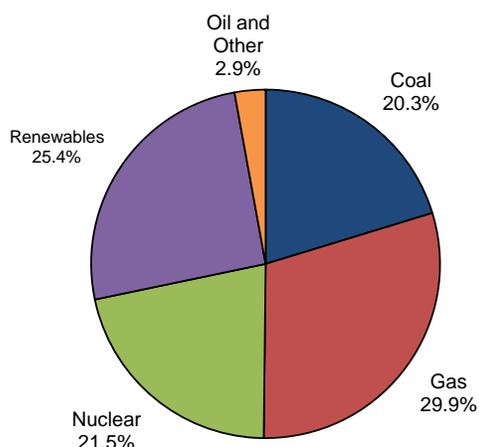
- Total indigenous UK production of natural gas in the second quarter of 2016 was 116.1 TWh, 4.0 per cent lower than a year before.
- Imports in Q2 2016 were 20 per cent in comparison to the same quarter in 2015. This was largely driven by imports from Norway, which was up 34 per cent. Exports decreased by 27 per cent over the same time frame, driven by decreases in exports to Belgium via the interconnector and Ireland down 22 and 45 per cent respectively. Combined these lead to net imports increasing by 56 per cent.
- UK gas demand was up 16.4 per cent compared to Q2 2015, with a notable increase in demand for electricity generation, which was up 47 per cent on the same quarter last.

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

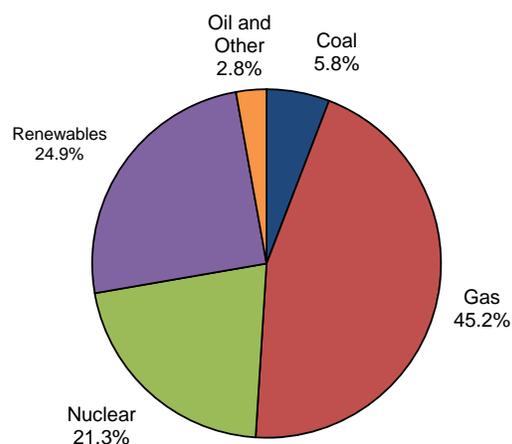


ELECTRICITY: QUARTER 2 2016

Q2 2015



Q2 2016



	2016 Q2 <i>TWh</i>	Percentage change on a year earlier
Electricity Generated from		
Coal	4.57	-71.3
Nuclear	16.66	-1.5
Gas	35.39	+50.8
Renewables	19.5	-2.2
Total	78.28	-0.3
Supplied to		
Industry	23.1	+1.1
Domestic	23.5	-3.0
Other final consumers	24.4	+0.3
All	71.0	-0.6

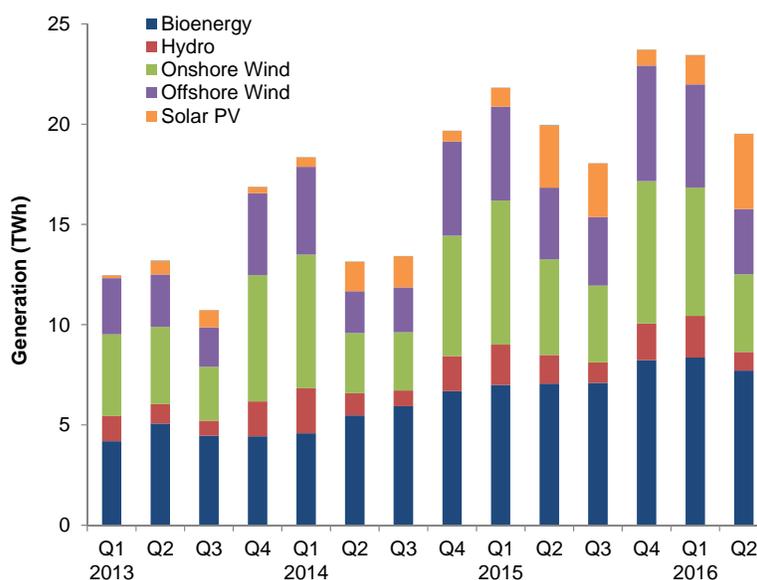
- Fuel used by generators in the second quarter of 2016 was 3.8 per cent lower than in the second quarter of 2015.
- Generation from coal in the second quarter of 2016 fell by 71 per cent, while gas increased by 51 per cent when compared with a year earlier. Nuclear fell by 1.5 per cent. Renewables generation decreased by 2.2 per cent.
- Low carbon generation accounted for 46 per cent of generation in Q2 2016, a 0.8 percentage point decrease from the same period last year.
- Total electricity generated in the second quarter of 2016 was 0.2 per cent lower than a year earlier.
- Final consumption of electricity provisionally decreased by 0.6 per cent in the second quarter of 2016. Domestic use decreased by 3.0 per cent.

Electricity quarterly tables ET 5.1 – 5.2 are available on the BEIS section of the GOV.UK website at: www.gov.uk/government/statistics/electricity-section-5-energy-trends



RENEWABLES: QUARTER 2 2016

Renewable electricity generation



	2016 Q2 TWh	Percentage change on a year earlier
Renewable electricity generation		
Onshore wind	3.88	-18.8
Offshore wind	3.25	-9.1
Hydro	0.93	-35.0
Solar PV	3.75	+20.0
Bioenergy (inc. co-firing)	7.71	+9.2
All renewables	19.52	-2.2

- Renewables' share of electricity generation fell from 25.4 per cent in the second quarter of 2015, to 24.9 per cent in the second quarter of 2016.
- Renewable electricity generation was 19.5 TWh in the second quarter of 2016, a fall of 2.2 per cent on the 20.0 TWh in the second quarter of 2015. Generation from both onshore and offshore wind fell, by 18.8 per cent and 9.1 per cent respectively, due to lower wind speeds, exceeding the impact of increased capacity. Generation from hydro fell by 35 per cent, due to lower rainfall. Bioenergy showed the highest absolute increase in generation by 9.2 per cent, from 7.1 TWh in the second quarter of 2015 to 7.7 TWh in the second quarter of 2016, with increased biomass generation from the conversion of a third unit at Drax to high-range co-firing. Solar PV increased, by 20 per cent, from 3.1 TWh to 3.8 TWh.
- Renewable electricity capacity was 32.5 GW at the end of the second quarter of 2016, a 14 per cent increase (3.9 GW) on a year earlier.
- Renewable transport: Liquid biofuels increased by 16 per cent, and represented 3.4 per cent (by volume) of petrol and diesel consumed in road transport in the second quarter of 2016.

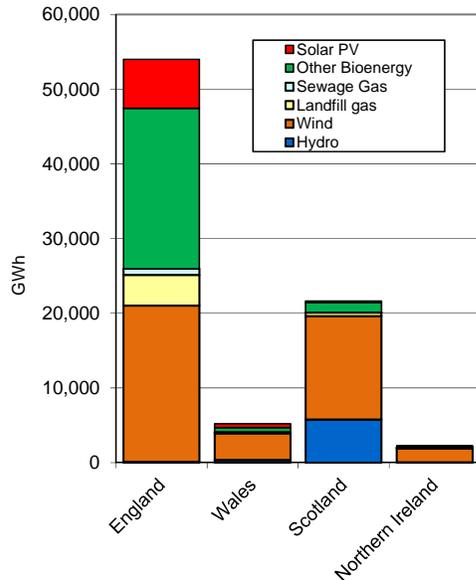
Renewables quarterly tables ET 6.1 – 6.2 are available on the BEIS section of the GOV.UK website at: www.gov.uk/government/statistics/energy-trends-section-6-renewables



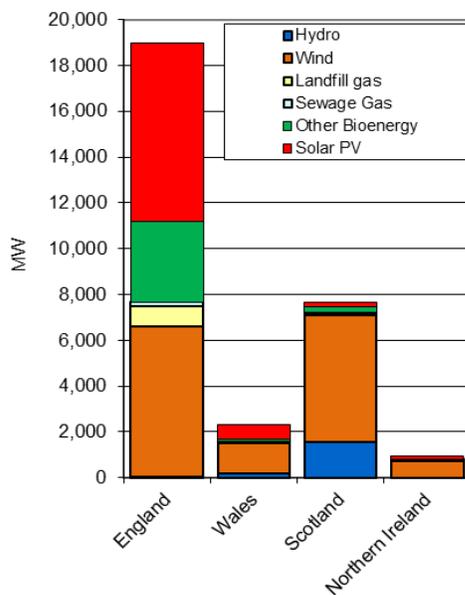
RENEWABLE ELECTRICITY IN THE REGIONS

A special feature in the September 2016 edition of Energy Trends looks at renewable electricity in Scotland, Wales, Northern Ireland and the regions of England in 2015. The article covers all renewables including those that are not eligible for the Renewables Obligation or Feed in Tariffs. It updates a similar article that was published in September 2015. The main features of the latest statistics are:

Renewable generation by country, 2015



Renewable capacity, by country, 2015

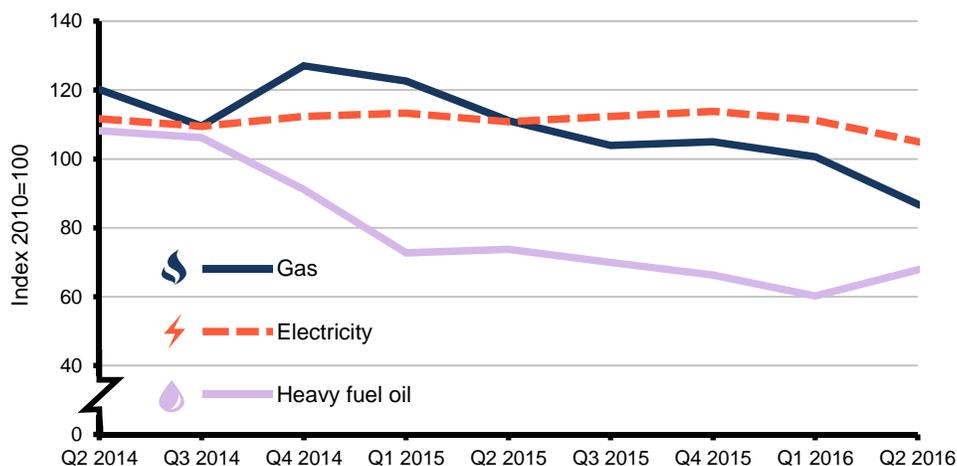


- At the end of 2015, England had 62 per cent of UK capacity, with 25 per cent in Scotland. Similarly, England had 65 per cent of UK generation, reflecting the high share of bioenergy, with 26 per cent in Scotland.
- Of English regions, Yorkshire and the Humber has the largest share of both capacity (19 per cent) and generation (31 per cent), largely due to the three units of Drax power station. Following is the East of England, with 11 per cent of capacity, and 15 per cent of generation, with wind (mainly offshore) being the largest contributor.
- During 2015, capacity in England increased by 30 per cent, including a 66 per cent (3.1 GW) increase in PV capacity, and a 19 per cent (0.6 GW) increase in other bioenergy capacity, due to the third Drax unit conversion. Generation rose by 34 per cent (13.7 TWh), mainly due to bioenergy, wind and solar PV.
- Capacity in Northern Ireland increased by 16 per cent (0.1 GW), with wind, solar PV and bioenergy contributing around one-third each. Generation increased by 32 per cent (0.5 TWh), with 0.4 TWh of this from wind.
- Capacity in Scotland rose by 5.1 per cent (0.4 GW), with 0.3 GW of the increase due to new wind capacity. Generation in Scotland rose by 14 per cent (2.6 TWh), with 2.1 TWh of this from wind.
- Capacity in Wales increased by 26 per cent (0.5 GW), with around half of this from solar PV. Generation increased by 54% (1.8 TWh), with two-thirds of this (1.2 TWh) from wind.



INDUSTRIAL PRICES: QUARTER 2 2016

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



Fuel prices index in real terms ⁽¹⁾ 2010=100	2016 Q2	Percentage change on a year earlier
Coal	85.5	-12.6
Heavy fuel oil	67.8	-8.1
Gas	86.9	-21.8
Electricity	105.1	-5.1
Total fuel	95.7	-8.7

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

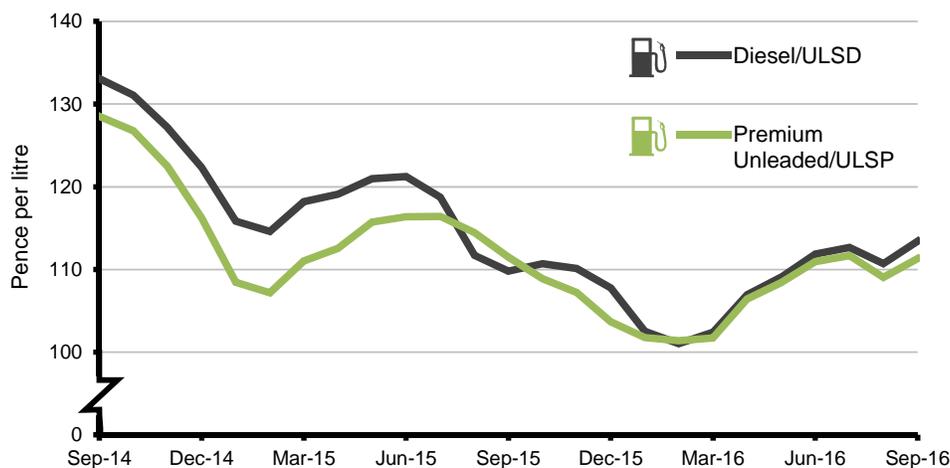
- Average industrial gas prices, including CCL were 21 per cent lower in real terms in Q2 2016 compared to Q2 2015, prices excluding CCL were 22 per cent lower.
- Average industrial electricity prices were 5.1 per cent lower including CCL in real terms and 6.5 per cent lower excluding CCL in real terms, in Q2 2016 compared to Q2 2015.
- Average coal prices were around 13 per cent lower in real terms both including and excluding CCL in Q2 2016 compared to Q2 2015. Heavy fuel oil prices were 8.1 per cent lower in real terms than a year ago.
- For the period January to June 2016, prices for industrial electricity consumers including taxes were above the EU15 median for all consumers. UK industrial gas prices including taxes were amongst the lowest in the EU15 for all size bands of consumer.

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



ROAD TRANSPORT FUEL PRICES: QUARTER 2 2016

Typical retail prices of road transport fuels



Retail prices of petroleum products	Mid September 2016 ⁽¹⁾ Pence per litre	Percentage change on a year earlier
Unleaded petrol ⁽²⁾	111.3	-0.2
Diesel ⁽²⁾	113.4	3.3

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

(2) Prices are provisional estimates.

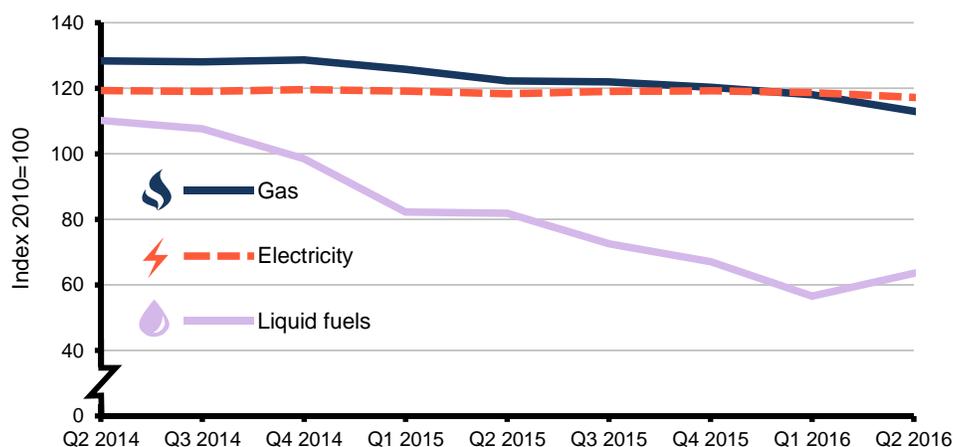
- In mid September 2016, a litre of unleaded petrol was on average 111.3 pence per litre, which is a similar price to the 111.5 pence per litre a year earlier. It is 30 pence per litre (22 per cent) lower than the high reached in April 2012.
- In mid September 2016, diesel was on average 113.4 pence per litre, 3.3 pence per litre higher than a year earlier and 34 pence per litre (24 per cent) below the peak seen in April 2012.
- In August 2016, the UK retail price for petrol was ranked thirteenth highest in the EU 28, and UK diesel prices were also the third highest in the EU.
- The price difference between diesel and petrol in September 2016 was 2.1 pence per litre, with petrol being cheaper than diesel.

Road transport fuel prices tables are available on the BEIS section of the GOV.UK website at:
www.gov.uk/government/collections/road-fuel-and-other-petroleum-product-prices



DOMESTIC PRICES: QUARTER 2 2016

Fuel price indices in the domestic sector in real terms



Consumer price index fuel components in real terms ⁽¹⁾ 2010=100	2016 Q2	Percentage change on a year earlier
Solid fuels	103.8	-0.8
Gas	113.0	-7.6
Electricity	117.2	-0.9
Liquid fuels	63.5	-22.5
Total domestic fuel	113.7	-4.4

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

- Q2 2016 data shows that the price paid for all domestic fuel by household consumers fell by 4.4 per cent in real terms between Q2 2015 and Q2 2016, and by 2.2 per cent between Q1 and Q2 2016.
- Domestic electricity prices, including VAT, in Q2 2016 were 0.9 per cent lower in real terms than in Q2 2015. Prices were 1.2 per cent lower than in Q1 2016.
- The price of domestic gas, including VAT, fell by 7.6 per cent in real terms between Q2 2015 and Q2 2016, and by 4.3 per cent between Q1 and Q2 2016.
- The price of liquid fuels fell by 22 per cent between Q2 2015 and Q2 2016. Between Q1 and Q2 2016, the price increased by 12 per cent.
- For the period January to June 2016, prices for medium domestic gas and electricity consumers, including tax, were the third lowest and the seventh lowest in the EU15 respectively.

Switching levels

- Switching rates increased in Q2 2016, up by 43 per cent compared to the levels of a year earlier for electricity and up by 32 per cent for gas, based on data provided by Ofgem. An average of 360,000 households per month switched electricity supplier, with 260,000 households per month switching their gas supplier in the quarter.

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

www.gov.uk/government/collections/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 second quarter of 2016 are given in the September 2016 editions of ENERGY TRENDS and ENERGY PRICES respectively, the Department's statistical bulletins on energy, released on 29 September 2016.
2. Energy Trends and the Energy Prices bulletins, published quarterly, are available on the BEIS section of the GOV.UK website at: www.gov.uk/government/collections/energy-trends and www.gov.uk/government/collections/quarterly-energy-prices
3. Articles featured in Energy Trends are also available on the BEIS section of the GOV.UK website at: www.gov.uk/government/collections/energy-trends-articles
4. More detailed annual data on energy production and consumption for the years 2010 to 2015 are available in the DIGEST OF UNITED KINGDOM ENERGY STATISTICS 2016, published on 28 July 2016. All information contained in the Digest is available on the BEIS section of the GOV.UK website at: www.gov.uk/government/collections/digest-of-uk-energy-statistics-dukes

