Key results show:

In the third quarter of 2019, pipeline imports fell by 37 per cent, following continued planned maintenance on Norwegian pipelines and reduced production. This shortfall in pipeline supply was met by Liquefied Natural Gas (LNG) imports, which doubled to 20 TWh compared to Q3 2018. This meant LNG comprised nearly a third of the total imports in Q3 2019 (Chart 4.4 and 4.5).

Total exports reduced by over forty per cent to 25 TWh when compared to the same period last year, primarily due to falls in volumes to Belgium. In contrast, exports to the Republic of Ireland continue to increase as the output from the Corrib field gradually declines. This overall reduction in trade resulted in an increase in net imports in Q3 2019 by 9.5 per cent (Chart 4.3).

Total production of gas was stable on last year, down by 0.8 per cent. Production of natural gas from the UK Continental Shelf was down by 1.6 per cent on last year with biomethane production up by 13 per cent (Chart 4.1). Within natural gas, production of associated gas and dry gas production was down by 9.8 per cent and 12 per cent respectively (Chart 4.2).

Demand for natural gas in Q3 2019 decreased by 1.5 per cent compared to last year to 137 TWh (Chart 4.6).

Despite similar temperatures to 2018, there was a 3.0 per cent decrease in final consumption, with domestic use down by 3.5 per cent. Meanwhile, demand for electricity generation was also down by 1.5 per cent in comparison to the same quarter last year (Chart 4.6).

Relevant table

4.1: Natural gas supply and consumption

Contacts for further information:

Zoe Clark
Gas production and trade
Oil and Gas Statistics Team
Tel. 020 7215 8170
E-mail: Oil&Gas.Statistics@beis.gov.uk

Amy Pearce
Gas demand
Oil and Gas Statistics Team
Tel. 020 7215 8211
Production of natural gas in Q3 2019 was down by 1.6 per cent compared to the same quarter in 2018 (Chart 4.1). However, biomethane production was up by 13 per cent, making total production down by just 0.8 per cent (see Tables 4.1 and 4.2).

In the year to date natural gas production has decreased by 3.9 per cent on 2018, with current volumes more than two-thirds lower than the average quarterly production in 2000 when gas production peaked.

There was a marked decrease in pipeline imports, which were down by 37 per cent and led to an overall decrease in total imports by nearly one-fifth (on a nominated flow basis\(^1\)). Imports of Liquefied Natural Gas (LNG) more than doubled to help meet the shortfall in supply.

Exports were down over 40 per cent to 25 TWh, with a reduction in exports to Belgium being the primary source of this fall. Overall net imports increased by 9.5 per cent after particularly low levels last year.

For more detail on trade see Charts 4.4 and 4.5.

\(^1\) Nominated flows include some trade with Belgium whereby gas has been traded between companies, but then ‘sold back’ before the gas has been physically transferred. Table 4.3 shows physical flows.
Gas

Chart 4.2 Production of dry gas and associated gas (not shown in published tables)

Production of associated gas (natural gas produced from oil fields) in Q3 2019 was down by 9.8 per cent compared to the same quarter last year, from 71 to 66 TWh. Dry gas production (natural gas composed mainly of methane) also decreased by 12 per cent in Q3 2019 compared to last year.
Gas available at terminals is broadly equal to gross gas production minus producers’ own use, plus net imports. This is seasonal and peaks during Q1 and Q4, associated with the colder temperatures over the winter months.

While demand was down in Q3 2019 on last year, gas available at terminals was up by 1.2 per cent. The excess gas primarily entered stocks, with an 8.0 TWh stock build. Gas used at LNG terminals was also up because of the relatively high import volumes in this period. The average availability of gas over four rolling quarters remains above average for Q3 2019.
As shown in Map 4.1, the UK imports natural gas primarily from Norway (predominantly via the SAGE, FLAGS and Vesterled pipelines). Smaller volumes are imported from Belgium (via the UK-Belgium Interconnector) and the Netherlands (via the Balgzand to Bacton line).

Total imports (on a physical instead of a nominated flow basis) were down nearly one-fifth on the year before in Q3 2019. This was driven by the substantial 37 per cent decrease in pipeline imports mainly associated with the contraction of flows from Norway which also fell by 37 per cent. This was partly due to reduced flows via the Vesterled pipeline, which were suspended due to planned maintenance earlier this summer. Sales in August were affected as low export prices drove a reduction in production in Norway. Flows via the SAGE pipeline were also suspended following maintenance work at the Mossmorran plant, where these flows are received.

Due to established LNG import infrastructure, the UK utilised LNG imports to make up for the shortfall in supply. This meant LNG comprised nearly a third of total imports in Q3 2019 as volumes more than doubled, despite the near record low seen in the month of August.

Meanwhile, exports decreased by over 40 per cent to 25 TWh in Q3 2019 compared with the same quarter of 2018. This is primarily due to a 53 per cent fall in volumes to Belgium. In particular exports to Belgium were down, where export volumes have remained comparatively low since the long-term Belgian interconnector contract ended in October 2018. However, these volumes have started to recover in recent months. In contrast, exports to Ireland increased over the quarter by 30 per cent as the output from the Corrib field gradually declines.

Overall, net imports were up 9.5 per cent in Q3 2019 as the decrease in exports outstripped the decrease in imports.

---

2 The export total in Tables 4.3 only includes gas that has physically flowed through pipeline border points and is lower compared to the nominated flows in Tables 4.1 and 4.2.
Despite the decrease in pipeline imports in Q3 2019, Norway continues to be the main source of imported gas to the UK at 68 per cent, although down from Q3 2019 when Norway imports comprised 88 per cent of the UK’s total imports.

Qatar remains the major source of LNG to the UK for the second quarter in a row, with 69 per cent of LNG of Qatari origin, up from 36 per cent at the start of the year. Other sources were Russia, the USA and Algeria.

A complete country breakdown for physical pipeline and LNG imports is provided in Energy Trends Table 4.4 - *Supplementary information on the origin of UK gas imports.*
UK demand for natural gas in Q3 2019 was down 1.5 per cent in comparison to Q3 2018 to 137 TWh.

Demand for electricity generation fell, down 1.5 per cent in comparison to the same quarter last year as the increased output from renewable energy continues to displace the demand for gas for electricity generation.

Despite similar temperatures to the same period last year, final consumption dropped 3.0 per cent, with domestic use down by 3.5 per cent.

A complete breakdown for gas demand is provided in Energy Trends table 4.1 - Natural gas supply and consumption.